



Office of the Governor of Guam

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Office of the People's Speaker
vicente (son) c. pangelinan

OCT 01 2004

TIME: 12:15 () AM () PM
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OCT 01 2004

Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

The Honorable Vicente C. Pangelinan
Speaker
Mina' Bente Siete Na Liheslaturan Guåhan
Twenty-Seventh Guam Legislature
155 Hessler Street
Hagåtña, Guam 96910

Dear Speaker Pangelinan:

Transmitted herewith is Bill No. 363 (LS), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2005, AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS," now designated as **Public Law 27-106**.

Sins eru yan Magåhet,

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

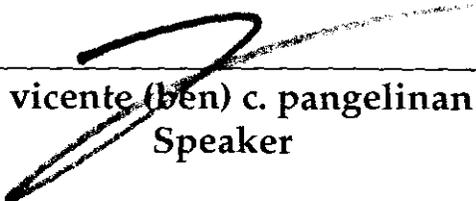
Attachment: a copy of the overridden bill is attached

cc: The Honorable Tina Rose Muna-Barnes
Senator and Legislative Secretary

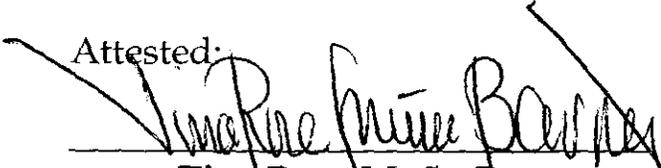
I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN
2004 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Bill No. 363 (LS), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2005, AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS," returned without approval of *I Maga'lahaen Guåhan*, was reconsidered by *I Liheslaturan Guåhan* and after such consideration, did agree, on the 30th day of September, 2004, to pass said bill notwithstanding the veto of *I Maga'lahaen Guåhan* by a vote of Fifteen (15) Members.


vicente (ben) c. pangelinan
Speaker

Attested:


Tina Rose Muña-Barnes
Senator and Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 30th day of September, 2004, at 10:23pm
o'clock P.M.

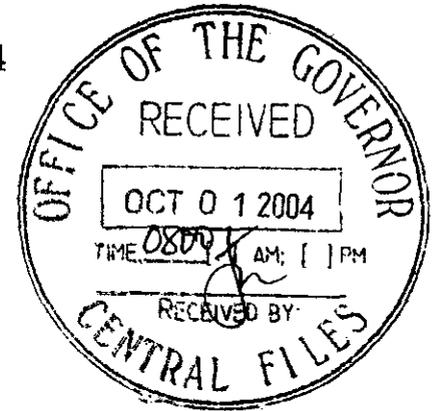

Assistant Staff Officer
Maga'lahaen's Office

Public Law No. 27-106



MINA' BENTE SIETE NA LIHESLATURAN GUÅHAN
TWENTY-SEVENTH GUAM LEGISLATURE
155 Hessler Place, Hagåtña, Guam 96910

September 30, 2004



The Honorable Felix P. Camacho
I Maga'lalen Guåhan
Ufisinan I Maga'lahi
Hagåtña, Guam 96910

Dear *Maga'lahi* Camacho:

Transmitted herewith is Bill No. 363(LS) which was overridden by *I Mina'Bente Siete Na Liheslaturan Guåhan* on September 30, 2004 notwithstanding your veto.

Sincerely,

TINA ROSE MUNA BARNES
Senator and Legislative Secretary

Enclosure (1)

I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN
2004 (SECOND) Regular Session

Bill No. 363 (LS)

As amended in the Committee of the Whole.

Introduced by: Committee on Appropriations and
Budgeting, General Governmental
Operations, Reorganization and Reform

**AN ACT MAKING APPROPRIATIONS FOR THE
OPERATIONS OF THE EXECUTIVE AND JUDICIAL
BRANCHES OF THE GOVERNMENT OF GUAM FOR
FISCAL YEAR ENDING SEPTEMBER 30, 2005, AND
MAKING OTHER APPROPRIATIONS, AND
ESTABLISHING MISCELLANEOUS AND
ADMINISTRATIVE PROVISIONS.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

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1	C. DEPARTMENT CHARGES/FEES/USE OF	
2	MONEY & PROPERTY	\$2,490,000.00
3	D. OTHER TAXES	\$3,000,000.00
4	TOTAL GENERAL FUND REVENUE	\$447,441,000.00
5	II. SPECIAL FUND REVENUES	
6	A. Street Light Fund (Abandoned Vehicle)	\$ 3,780,000.00
7	B. Chamorro Land Trust Fund	\$492,266.00
8	C. Customs, Agricultural and Quarantine Inspection	
9	Services Fund	\$9,558,779.00
10	D. Enhanced 911 Emergency Reporting System	
11	Fund	\$1,061,606.00
12	E. Guam Contractors License Board Fund	\$309,700.00
13	F. Guam Highway Fund	\$14,350,889.00
14	G. Land Survey Revolving Fund	\$758,256.00
15	H. Public Recreation Services Fund	\$124,739.00
16	I. Police Services Fund	\$330,697.00
17	J. Tourist Attraction Fund	\$23,017,731.00
18	K. Professional Engineers, Architects and Land	
19	Surveyors Board Fund	\$193,958.00
20	L. Solid Waste Fund	\$5,170,000.00
21	M. Guam Education Facility Fund (TEFF)	\$18,041,524.00
22	N. Healthy Futures Fund	\$10,564,400.00
23	O. Safe Homes, Safe Streets Fund	\$1,596,854.00
24	P. Village Streets Fund	\$500,000.00
25	Q. Air Pollution Control Fund	\$250,000.00

1	R.	Guam Environmental Trust Fund	\$329,714.00
2	S.	Water Research & Development Fund	\$200,000.00
3	T.	Solid Waste Management Fund (GEPA)	\$45,000.00
4	U.	Water Protection Fund	\$75,000.00
5	V.	Environmental Health Fund	\$322,000.00
6	W.	Manpower Development Fund	\$39,614.00
7	X.	University of Guam Education Bond	
8		Payment Fund	\$2,036,000.00
9	Y.	Corrections Revolving Fund	\$ 1,713,443.00
10	Z.	School Lunch/SAE Fund/ Child Nutritional	
11		Meal Reimbursement Fund	\$5,500,000.00
12	AA.	Safe Streets Fund	\$100,000.00
13	BB.	Plant Inspection and Permit Fund	\$40,000.00
		TOTAL SPECIAL FUND REVENUE	\$100,502,170.00
14	III.	FEDERAL MATCHING GRANTS-IN-AID REVENUES	
15	A.	Agriculture	\$517,800.00
16	B.	Guam Council on the Arts and Humanities	\$243,701.00
17	C.	Guam Environmental Protection Agency	\$181,221.00
18	D.	Guam Police	\$332,370.00
19	E.	Guam Public Library	\$106,337.00
20	F.	Department of Integrated Services	
21		for Individuals with Disabilities	\$2,061,642.00
22	G.	Labor	\$33,500.00
23	H.	Law	\$3,255,035.00
24	I.	Military Affairs	\$568,092.00

1	J. Department of Public Health	
2	and Social Services	\$20,134,029.00
3	K. University of Guam	\$1,508,000.00
4	TOTAL FEDERAL MATCHING	
5	GRANTS-IN-AID REVENUE	\$28,941,727.00
6	REVENUE SUMMARY:	
7	TOTAL GENERAL FUND REVENUE	\$447,441,000.00
8	TOTAL SPECIAL FUND REVENUE	\$100,502,170.00
9	TOTAL FEDERAL MATCHING	
10	GRANTS-IN-AID REVENUE	\$28,941,727.00
11	GRAND TOTAL	\$576,884,897.00

1	D. LIMITED OBLIGATION HIGHWAY REFUNDING	
2	BONDS, 2001 Series A (payment from the	
3	Guam Highway Fund, P. L. 24-70; <i>not</i> to be	
4	construed as an additional appropriation	
5	pursuant to this Act)	\$6,027,981.00
6	E. LIMITED OBLIGATION (SECTION 30) BONDS,	
7	2001 Series A (Water System Revenue	
8	Bond; payment from Section 30 Funds)	\$9,824,393.00
9	F. 2002 SHORT TERM FINANCING	
10	(payment from the General Fund, P. L. 26-84)	\$1,281,818.00
11	DEBT SERVICE GRAND TOTAL	\$55,106,157.00

1 required in order to ensure such textbooks and collateral classroom
2 instructional materials are ordered by this deadline. All textbooks and
3 collateral classroom instructional materials shall be received and distributed
4 to schools of Guam, *no later than* thirty (30) days prior to the start of the Guam
5 Educational Policy Board adopted school calendar date. All funds
6 appropriated for textbooks and collateral classroom instructional materials are
7 restricted and shall *not* be used for any other purpose.

8 (b) Upon the enactment of this Act, on the first (1st) day of each
9 quarter, the Superintendent of Education shall provide a detailed report to *I*
10 *Liheslaturan Guåhan* on the total expenditures and, specifically, on the
11 textbooks and collateral classroom instructional materials purchased in
12 accordance with these funds.

13 (c) Notwithstanding any other provision of law, lapsed funds
14 appropriated in prior fiscal years for the purchase of textbooks and collateral
15 equipment, are hereby available for use for the purchase of textbooks in Fiscal
16 Year 2005 and until fully expended.

17 **Section 4. Appropriation for Additional Textbooks.** The sum of One
18 Million Seven Hundred Thousand Dollars (\$1,700,000.00) is hereby
19 appropriated from the General Fund from Fiscal Year 2005 revenues to the
20 Department of Education ("DOE") for the purchase of additional textbooks
21 and collateral materials, for schools of Guam. DOE may, *if necessary*, in
22 agreements with textbook vendors, defer payment until *after* October 1, 2004,
23 but *no later than* December 31, 2004, with full faith and credit of the
24 government of Guam.

1 **Section 5. Department of Education Teacher Reclassification,**
2 **Nurses Outstanding Compensation, and Increment Appropriations.**

3 **(a)** The sum of One Million Six Hundred Thousand Dollars
4 **(\$1,600,000.00)** is hereby appropriated from the General Fund to the
5 Department of Education to fund the teacher reclassification requirement.
6 These monies shall be limited *strictly* for the purposes stated herein and *not*
7 subject to transfer.

8 **(b)** The sum of One Million Four Hundred Thousand Dollars
9 **(\$1,400,000.00)** is hereby appropriated from the General Fund to the
10 Department of Education for the school health counselors outstanding
11 compensation, as mandated through Public Law 24-325. These monies shall
12 be limited for the purposes stated herein and *not* subject to transfer.

13 **(c)** The sum of One Million Forty-six Thousand One Hundred Seventy-
14 seven Dollars **(\$1,046,177.00)** is hereby appropriated from the General Fund to
15 the Department of Education to fund a one-step salary increment for eligible
16 employees funded by the General Fund for Fiscal Year 2005.

17 **Section 6. Appropriations to the University of Guam.**

18 **(a) Appropriation.** The sum of Twenty-seven Million Eight
19 Thousand Dollars **(\$27,008,000.00)** is hereby appropriated to the University of
20 Guam ("UOG") for its Fiscal Year 2005 operations, inclusive of its Personnel
21 Services. This sum is composed of Twenty-five Million Five Hundred
22 Thousand Dollars **(\$25,500,000.00)** from the General Fund and One Million
23 Five Hundred Eight Thousand Dollars **(\$1,508,000.00)** from Federal Matching
24 Grants-In-Aid.

1 **(b)** UOG Fiscal Year 2004 lapsed funds shall *not* revert to the General
2 Fund, but shall be identified and reported to the Speaker of *I Liheslaturan*
3 *Guåhan* within forty-five (45) days of the close of Fiscal Year 2004, identifying
4 the source and amount of the lapse. Use of these lapses shall be subject to
5 further appropriation by *I Liheslatura*.

6 **Section 7. Appropriation to the Guam Community College.**

7 **(a)** The sum of Twelve Million Eight Hundred Twenty-six Thousand
8 Six Hundred Sixty-nine Dollars (\$12,826,669.00) is hereby appropriated from
9 the General Fund to the Guam Community College (“GCC”) for its
10 operations, inclusive of its Personnel Services, for the period October 1, 2004,
11 through September 30, 2005.

12 **(b)** GCC Fiscal Year 2004 lapsed funds shall *not* revert to the General
13 Fund, but shall be identified and reported to the Speaker of *I Liheslaturan*
14 *Guåhan* within forty-five (45) days of the close of Fiscal Year 2004, identifying
15 the source and amount of the lapse. Use of these lapses shall be subject to
16 further appropriation by *I Liheslatura*.

17 **Section 8. Appropriation to the Department of Public Health and**
18 **Social Services for Public Assistance Program Payments.**

19 **(a)** The sum of Five Million Five Hundred Forty-six Thousand Two
20 Hundred Ninety-three Dollars (\$5,546,293.00) is hereby appropriated from the
21 General Fund to the Department of Public Health and Social Services for
22 Public Assistance Program payments for Fiscal Year 2005.

23 **(b)** The unexpended balance of the appropriation from the General
24 Fund to the Department of Public Health and Social Services for Public
25 Assistance Programs for Fiscal Year 2004 shall *not* revert back to the General

1 Fund, but shall be carried over into Fiscal Year 2005 to be expended in
2 accordance with the original purpose of said funds.

3 **Section 9. Appropriation to Medically Indigent Program and**
4 **Medicaid Program.**

5 (a) The sum of Sixteen Million One Hundred Thousand Dollars
6 (\$16,100,000.00) is hereby appropriated from the General Fund to the
7 Medically Indigent Program Payment Revolving Fund ("MIPPR") for the
8 Medically Indigent Program ("MIP") and Medicaid Program for Fiscal Year
9 2005.

10 (b) The sum of Four Million Dollars (\$4,000,000.00) is hereby
11 appropriated from the General Fund to the Department of Public Health and
12 Social Services ("DPHSS") to be administered by the Medically Indigent
13 Program and Medicaid Program for medical services provided by the Guam
14 Memorial Hospital ("GMH"). GMH may invoice DPHSS for uninsured
15 residents for those services or billings which have gone through in-house and
16 all other GMH-endorsed collections processes and have been transferred to
17 the category of or officially deemed "bad debt." Invoices shall be pursuant to
18 the MIP benefits and cost reimbursement schedule. DPHSS shall be entitled
19 to two percent (2%) of the Four Million Dollars (\$4,000,000.00) appropriated
20 herein for administration costs for processing according to this Section.
21 Subsequent collections of any "bad debt" paid for by this appropriation shall
22 be reimbursed by Guam Memorial Hospital to the Medically Indigent
23 Program at the DPHSS.

1 The Director of DPHSS shall provide a quarterly financial report to the
2 Speaker of *I Liheslaturan Guåhan* of the allocation and expenditures associated
3 with the appropriations contained herein.

4 (c) The unexpended balance of the appropriation from the General
5 Fund to the Department of Public Health and Social Services for MIP and
6 Medicaid Programs for Fiscal Year 2004 shall *not* revert back to the General
7 Fund, but shall be carried over into Fiscal Year 2005 to be expended in
8 accordance with the original purpose of said funds.

9 **Section 10. Department of Integrated Services for Individuals with**
10 **Disabilities Court Injunction.** *I Maga'lahi* shall use his transfer authority to
11 comply with the injunction outlined in Civil Case CIV01-00041 for the
12 purpose of meeting the United States District Court's mandated permanent
13 injunction.

14 **Section 11. Appropriation to Catastrophic Illness Program.** The sum
15 of Five Hundred Thousand Dollars (\$500,000.00) is hereby appropriated from
16 the General Fund to the Department of Public Health and Social Services for
17 the *sole* purpose of funding the Catastrophic Illness Program for Fiscal Year
18 2005. The funds appropriated herein shall *not* be subject to *I Maga'lahen*
19 *Guåhan's* transfer authority. All unexpended funds appropriated in Fiscal
20 Year 2004 for the Catastrophic Illness Program shall be carried over into Fiscal
21 Year 2005 to be expended in accordance with the original purpose of said
22 funds until fully expended.

23 **Section 12. Appropriation to Guam Police Department.** The sum of
24 Two Million One Hundred Seven Thousand Five Hundred Seventy Dollars

1 (\$2,107,570.00) is hereby appropriated from the General Fund to the Guam
2 Police Department to be used for the following:

3 (a) One Million Three Hundred Thousand Dollars (\$1,300,000.00) for
4 the personnel costs associated with the recruitment and hiring of sixty-eight
5 (68) police recruits.

6 (b) Four Hundred Thousand Dollars (\$400,000.00) for the purchase of
7 equipment and training costs for recruits.

8 (c) Four Hundred Seven Thousand Five Hundred Seventy Dollars
9 (\$407,570.00) for the purchase of equipment and vehicles.

10 **Section 13. Appropriation to the Department of Youth Affairs.**

11 (a) The sum of Two Hundred Forty-one Thousand Nine Hundred
12 Forty-four Dollars (\$241,944.00) is hereby appropriated from the General
13 Fund to the Department of Youth Affairs ("DYA") for the (Sanctuary, Inc.)
14 Youth Residential Program for Fiscal Year 2005.

15 (b) DYA shall submit a report of the expenditures of the funds of this
16 appropriation to *I Maga'lahaen Guåhan* and *I Liheslaturan Guåhan*, within sixty
17 (60) days following the end of the fiscal year covered herein.

18 **Section 14. Appropriation to the Worker's Compensation Fund.**

19 (a) The sum of One Million Dollars (\$1,000,000.00) is hereby
20 appropriated from the General Fund to the Department of Labor for the
21 Worker's Compensation Fund. The funds appropriated in this Section shall be
22 utilized for worker's compensation payments for the purposes set out in §9144
23 of Title 22 of the Guam Code Annotated, to pay worker's compensation for
24 claims by employees of the government of Guam, including outstanding prior

1 years' obligations and future obligations associated with the provisions of this
2 Section.

3 (b) Notwithstanding any other provision of law, the appropriation
4 made in this Section may be used to pay for medical, surgical, and other
5 services or treatment; nurses; hospital services; medical travel and/or per
6 diem; medicine; crutches; and apparatus required by the claimant for such
7 period as the nature of the injury, or the process of recovery, may require.

8 (c) Notwithstanding any other provision of law, the appropriation
9 made in this Section shall *not* be expended for disability compensation
10 benefits payments.

11 (d) Notwithstanding any other provision of law, the Director of Labor
12 is authorized to spend *up to* Forty Thousand Dollars (\$40,000.00) for Fiscal
13 Year 2005 to pay for the services of a Worker's Compensation hearing
14 consultant, attorney or firm from the appropriation to the Worker's
15 Compensation Fund for Fiscal Year 2005.

16 **Section 15. Appropriations for Supplemental Annuity Benefits and**
17 **for Other Costs.**

18 (a) The sum of Thirteen Million Four Hundred Thirty-seven
19 Thousand Dollars (\$13,437,000.00) is hereby appropriated from the General
20 Fund to the Supplemental Annuity Benefits Special Fund for the period of
21 October 1, 2004, to September 30, 2005, for direct payment to those employees
22 who retired *prior* to October 1, 1995, or their survivors, for the continuing
23 provisions of Four Thousand Two Hundred Thirty-eight Dollars (\$4,238.00)
24 for supplemental annuity benefits, consisting of the sum of One Thousand
25 Two Hundred Dollars (\$1,200.00), One Thousand Five Hundred Dollars

1 (\$1,500.00), Seven Hundred Dollars (\$700.00), and Eight Hundred Thirty-eight
2 Dollars (\$838.00) in annual benefits formerly contained in various General
3 Appropriation Acts.

4 (b) No persons eligible for Retiree Supplemental Annuity Benefits
5 provided for in Subsection (a) of this Section shall receive such benefit if their
6 regular annual retirement annuity, *excluding* survivor benefits, *prior* to the
7 supplemental amounts herein is more than Forty Thousand Dollars
8 (\$40,000.00). Persons eligible for Retiree Supplemental Annuity Benefits shall
9 *only* receive an amount of such benefits up to the total aggregate sum of Forty
10 Thousand Dollars (\$40,000.00) in combined retirement annuities and
11 supplemental retirement annuities and *not more*.

12 (c) The Department of Administration shall be the responsible entity
13 to disburse to the retirees or their survivors the supplemental annuities
14 pursuant to Subsection (a) of this Section. The Government of Guam
15 Retirement Fund shall provide the necessary information for disbursement to
16 the retirees or their survivors to the Department of Administration.

17 (d) Fiscal Year 2004 appropriations to the Supplemental Annuity
18 Benefits Special Funds shall *not* revert to the General Fund. The Department
19 of Administration is hereby authorized to use Fiscal Year 2004 supplemental
20 annuities lapsed funds in Fiscal Year 2005 and until fully expended for the *sole*
21 purpose of paying Fiscal Year 2004 supplemental annuities obligations.

22 (e) Deposits made to the Supplemental Annuity Benefits Special Fund
23 ("Fund") shall *not* be commingled with the General Fund and shall continue
24 to be kept in a separate bank account which shall continue to be administered

1 by the Director of the Department of Administration. This Fund shall *not* be
2 subject to *I Maga'lahaen Guåhan's* transfer authority.

3 (f) For October 1, 2004, to September 30, 2005, of Fiscal Year 2005, the
4 Guam Power Authority, the Guam Telephone Authority, the A. B. Won Pat
5 International Airport Authority Guam, the Guam Economic Development and
6 Commerce Authority, the Guam Housing Corporation, the Government of
7 Guam Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the
8 Guam Waterworks Authority and the Guam Visitors Bureau shall remit to the
9 Department of Administration an amount equal to the number of eligible
10 employees which are retired from each entity multiplied by the amounts
11 listed in Subsection (a) of this Section. The remittance shall be due on or
12 before October 10, 2004, and April 15, 2005, respectively. Once remitted, this
13 amount shall *not* be subject to *I Maga'lahi's* transfer authority.

14 (g) The sum of Six Million Nine Hundred Fifty-two Thousand Four
15 Hundred Twenty Dollars (\$6,952,420.00) is hereby appropriated from the
16 General Fund to the Government of Guam Retirement Fund for the payment
17 of benefits of current retirees from October 1, 2004, to September 30, 2005,
18 consisting of the continuing provisions of Items (1) through (2), below:

- 19 (1) Retiree group health, dental and life insurance premiums (to
20 continue existing programs currently contained in the semi-
21 monthly payments); and
22 (2) Retiree life insurance subsidy (to continue existing programs
23 currently contained in the semi-monthly payments).

24 (h) For October 1, 2004, to September 30, 2005, of Fiscal Year 2005, the
25 Guam Power Authority, the Guam Telephone Authority, the A. B. Won Pat

1 International Airport Authority Guam, the Guam Economic Development and
2 Commerce Authority, the Guam Housing Corporation, the Government of
3 Guam Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the
4 Guam Waterworks Authority and the Guam Visitors Bureau shall remit to the
5 Government of Guam Retirement Fund the respective share of payments for
6 medical, dental, and life insurance payments for their respective retirees. The
7 remittance shall be due in equal installments on or before October 10, 2004,
8 and on or before April 1, 2005, respectively.

9 The autonomous agencies' share of payments for medical, dental, and
10 life insurance authorized herein are *ex gratia* payments and are for Fiscal Year
11 2005 *only*. Any future medical, dental, and life insurance payments may be
12 addressed by future legislation.

13 (i) For October 1, 2004, through September 30, 2005, of Fiscal Year
14 2005, the sum of Ninety-three Thousand Thirty-eight Dollars (\$93,038.00) is
15 hereby appropriated from the General Fund to the Government of Guam
16 Retirement Fund to defray the cost of Medicare premiums for Government of
17 Guam Retirees and their survivors who are eligible to receive social security
18 income benefits and are required under the government of Guam group
19 health insurance program to pay such premiums to continue to participate in
20 such health insurance program failing which they are excluded therefrom (to
21 continue existing programs contained in the monthly payments).

22 (j) For October 1, 2003, through September 30, 2004, of Fiscal Year
23 2004, the sum of Seventeen Thousand Sixty-eight Dollars (\$17,068.00) is
24 hereby appropriated from the General Fund to the Government of Guam
25 Retirement Fund to defray the cost of Medicare premiums for Government of

1 Guam Retirees and their survivors who are eligible to receive social security
2 income benefits and are required under the government of Guam group
3 health insurance program to pay such premiums to continue to participate in
4 such health insurance program failing which they are excluded therefrom (to
5 continue existing programs contained in the monthly payments).

6 (k) For October 1, 2004, to September 30, 2005, of Fiscal Year 2005, the
7 sum of One Hundred Two Thousand Five Hundred Dollars (\$102,500.00) is
8 hereby appropriated from the General Fund to the Government of Guam
9 Retirement Fund for *I Maga'lahi* and *I Segundu na Maga'lahi/I Segundu na*
10 *Maga'haga* Pensions.

11 (l) Effective October 1, 2004, the retirement annuities for the Guam
12 Superior Court Judges and Guam Supreme Court Justices shall be
13 administered by the Government of Guam Retirement Fund. For October 1,
14 2004, to September 30, 2005, the sum of Five Hundred Three Thousand Three
15 Hundred Twenty-four Dollars (\$503,324.00) is hereby appropriated from the
16 General Fund to the Government of Guam Retirement Fund for retirement
17 annuities of Guam Superior Court Judges and Guam Supreme Court Justices.

18 (m) The Board of Trustees shall promulgate, continue and amend, *if*
19 necessary, administrative procedures to ensure the proper submission, receipt
20 and accounting of all sums remitted in conformance with Subsections (f) and
21 (h) of this Section.

22 **Section 16. Survivor Supplemental Annuity Additions.** Item (6) of
23 Subsection (d) of 4 GCA §8135, is *repealed* and *reenacted* to read as follows:

24 "(6) the prospective payment of supplemental benefits for the
25 period October 1, 2004, through September 30, 2005, for survivors of

1 those employees who retired *prior* to October 1, 1995, to be paid in the
2 following manner:

3 (i) Four Thousand Two Hundred Thirty-eight Dollars
4 (\$4,238.00.00) in Retiree Supplemental Annuity Benefits, known
5 as the sum of One Thousand Two Hundred Dollars (\$1,200.00),
6 One Thousand Five Hundred Dollars (\$1,500.00), Seven
7 Hundred Dollars (\$700.00), and Eight Hundred Thirty-eight
8 Dollars (\$838.00) in *annual* benefits formerly contained in
9 various General Appropriation Acts.

10 (ii) *No* persons eligible for Retiree Supplemental Annuity
11 Benefits provided for in Paragraph (6) of this Section shall
12 receive such benefit *if* their regular annual retirement annuity
13 *prior* to the supplemental amounts herein is more than Forty
14 Thousand Dollars (\$40,000.00). Persons eligible for Retiree
15 Supplemental Annuity Benefits shall *only* receive an amount of
16 such benefits up to the total aggregate sum of Forty Thousand
17 Dollars (\$40,000.00) in combined retirement annuities and
18 supplemental retirement annuities and *not more.*"

19 **Section 17. Disability Supplemental Annuity Additions.** Subsection
20 (g) of 4 GCA §8129, is *repealed* and *reenacted* to read as follows:

21 "(g) Any disability retirement annuitant who commenced
22 receiving a disability retirement annuity *prior* to October 1, 1995, and
23 who is entitled to disability retirement benefits under this Chapter shall
24 receive, during the period commencing on October 1, 2004, and ending

1 on September 30, 2005, prospective non-cumulative supplemental
2 annuity benefits as follows:

3 (1) Four Thousand Two Hundred Thirty-eight Dollars
4 (\$4,238.00) in Retiree Supplemental Annuity Benefits, known
5 as the sum of One Thousand Two Hundred Dollars
6 (\$1,200.00), One Thousand Five Hundred Dollars (\$1,500.00),
7 Seven Hundred Dollars (\$700.00), and Eight Hundred
8 Thirty-eight Dollars (\$838.00) in *annual* benefits formerly
9 contained in various General Appropriation Acts.

10 (2) *No persons eligible for Retiree Supplemental Annuity*
11 *Benefits provided for in Paragraph (g) of this Section shall*
12 *receive such benefit if their regular annual retirement*
13 *annuity, excluding survivor benefits, prior to the*
14 *supplemental amounts herein is more than Forty Thousand*
15 *Dollars (\$40,000.00). Persons eligible for Retiree*
16 *Supplemental Annuity Benefits shall only receive an amount*
17 *of such benefits up to the total aggregate sum of Forty*
18 *Thousand Dollars (\$40,000.00) in combined retirement*
19 *annuities and supplemental retirement annuities and not*
20 *more."*

21 **Section 18. Retirees Supplemental Annuity Additions.** Item (6) of 4
22 GCA §8122(d), is *repealed* and *reenacted* to read as follows:

23 "(6) Any retirement annuitant who commenced receiving a
24 retirement annuity *prior* to October 1, 1995, and who is entitled to
25 retirement benefits under this Chapter, shall receive, during the period

1 commencing on October 1, 2004, and ending on September 30, 2005,
2 prospective, non-cumulative supplemental annuity benefits as follows:

3 (i) Four Thousand Two Hundred Thirty-eight Dollars
4 (\$4,238.00) in Retiree Supplemental Annuity Benefits, known as
5 the sum of One Thousand Two Hundred Dollars (\$1,200.00), One
6 Thousand Five Hundred Dollars (\$1,500.00), Seven Hundred
7 Dollars (\$700.00), and Eight Hundred Thirty-eight Dollars
8 (\$838.00) in *annual* benefits formerly contained in various General
9 Appropriation Acts.

10 (ii) *No persons eligible for Retiree Supplemental Annuity*
11 *Benefits provided for in Paragraph (6) of this Section shall receive*
12 *such benefit if their regular annual retirement annuity prior to the*
13 *supplemental amounts herein, but excluding survivor benefits, is*
14 *more than Forty Thousand Dollars (\$40,000.00). Persons eligible*
15 *for Retiree Supplemental Annuity Benefits shall only receive an*
16 *amount of such benefits up to the total aggregate sum of Forty*
17 *Thousand Dollars (\$40,000.00) in combined retirement annuities*
18 *and supplemental retirement annuities and not more."*

19 **Section 19. Appropriation to Office of the Attorney General,**
20 **Department of Law.**

21 (a) The sum of Eight Million Six Hundred Seventy-eight Thousand
22 Two Hundred Fifty-seven Dollars (\$8,678,257.00) is hereby appropriated to
23 the Office of the Attorney General, Department of Law, for its operations,
24 inclusive of its Personnel Services, for the period October 1, 2004, through
25 September 30, 2005. This sum is comprised of Five Million Four Hundred

1 Twenty-three Thousand Two Hundred Twenty-two Dollars (\$5,423,222.00)
2 from the General Fund and Three Million Two Hundred Fifty-five Thousand
3 Thirty-five Dollars (\$3,255,035.00) from Federal Matching Grants-in-Aid.

4 (b) Lapses in the Office of the Attorney General Fiscal Year 2004
5 budget shall *not* revert back to the General Fund, but shall be carried over into
6 Fiscal Year 2005, and shall be applied *solely* for its operations or rental space.

7 (c) The Attorney General shall submit a report to the oversight
8 chairperson of *I Liheslatura* on the financial requirements, proposed scope of
9 work, and potential outcome of pursuing an investigation, and requesting
10 from the Department of Transportation of the United States Government
11 Enhanced Air Services for Guam, or such other designation or exemption
12 from Federal laws or regulation, so as to provide comprehensively more
13 competitive air services in and to Guam, including, but *not limited to*,
14 designating Guam as an Open Aviation Area, a lifting of restrictions on
15 foreign air carriers carrying cargo into and through Guam, a lifting of all
16 cabotage restriction for passengers originating on Guam or transitting through
17 Guam and a lifting of restriction on foreign ownership of air carriers based on
18 Guam.

19 **Section 20. Appropriation for Government of Guam Annual Single-**
20 **Audit.** The sum of Three Hundred Thousand Dollars (\$300,000.00) is hereby
21 appropriated from the General Fund to the Department of Administration for
22 the *sole* purpose of outsourcing the Government of Guam annual single
23 financial audit for Fiscal Year 2004. The Office of the Public Auditor shall be
24 responsible for the administration of such funds and shall maintain oversight
25 of the conduct of the annual audit.

1 **Section 21. Appropriation to Guam Election Commission.**

2 (a) The sum of Seventy Thousand Dollars (\$70,000.00) is hereby
3 appropriated from the General Fund to the Guam Election Commission for
4 the purpose of providing five percent (5%) local matching funds in order to
5 obtain a Federal grant of approximately One Million Four Hundred Thousand
6 Dollars (\$1,400,000.00). The funds will be utilized to provide electronic voting
7 by 2006.

8 (b) *If* no Federal match is received, the amount appropriated in (a)
9 above shall *revert* back to the General Fund.

10 **Section 22. Guam Memorial Hospital Retirement Fund Contribution.**

11 The sum of One Million Two Hundred Thousand Dollars (\$1,200,000.00) is
12 hereby appropriated from the General Fund to the Government of Guam
13 Retirement Fund for the payment of Guam Memorial Hospital's outstanding
14 retirement fund contribution due on behalf of personnel who retire in order to
15 perfect their eligibility.

16 **Section 23. Appropriation to the Department of Chamorro Affairs.**

17 The sum of Fifty Thousand Dollars (\$50,000.00) is hereby appropriated from
18 the General Fund to the Department of *Chamorro* Affairs for a Guam Museum
19 Curator.

20 **Section 24. Appropriation to Department of Administration for**
21 **Training.** (a) The sum of Twenty-five Thousand Dollars (\$25,000.00) is
22 hereby appropriated from the General Fund to the Department of
23 Administration for the payment of training services provided by the
24 Association of Government Accountants, *specifically* for the training of
25 government public accountants.

1 (b) If the Association of Government Accountants is *not* contracted to
2 perform the training identified in (a) above, the amount appropriated shall
3 *revert* back to the General Fund.

4 **Section 25. Appropriation to the Department of Military Affairs for**
5 **Office of Veterans Affairs.** The sum of Two Hundred Seventy Thousand
6 Dollars (\$270,000.00) is hereby appropriated from the General Fund to the
7 Office of Veterans Affairs for the purpose of hiring three (3) Veterans Service
8 Representatives to expedite the processing of Veteran benefit applications, as
9 well as for rent and utilities needed to permit expansion of office space and
10 service area for the Office of Veterans Affairs, and for a public information
11 campaign to encourage Veterans to apply for benefits.

12 **Section 26. Appropriation to the Guam Developmental Disabilities**
13 **Council.** The sum of Twenty Thousand Dollars (\$20,000.00) is hereby
14 appropriated from the General Fund to the Guam Developmental Disabilities
15 Council for its Fiscal Year 2005 operations, rentals and utilities.

16 **Section 27. Appropriation to the Chamorro Land Trust Commission.**
17 The sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) is hereby
18 appropriated from the General Fund to the *Chamorro* Land Trust Commission
19 for establishment of the Residential Survey Revolving Fund for use in Fiscal
20 Year 2005.

21 **Section 28. Appropriation for Salary Increments.** The sum of One
22 Million Five Hundred Thousand Dollars (\$1,500,000.00) is hereby
23 appropriated from the General Fund to fund a one-step salary increment for
24 all eligible line agency Executive Branch employees funded by the General
25 Fund for Fiscal Year 2005. BBMR shall determine the amount required for

1 each agency to implement this Section, and shall allocate the funds
2 accordingly. Increments for the Department of Education are appropriated
3 separately in this Act.

1 (2) The sum of One Hundred Thousand Dollars (\$100,000.00) is
2 hereby appropriated from the Safe Homes, Safe Streets Fund
3 to the Department of Education for the *sole* purpose of
4 funding the repairs and upgrade of public school sports
5 facilities.

6 (3) Expenditure of these funds is subject to Title 17 GCA
7 §7104.4.

8 **Section 3. Appropriation to the Guam Community College**
9 **Apprenticeship Program.** The sum of Thirty-nine Thousand Six Hundred
10 Fourteen Dollars (\$39,614.00) is hereby appropriated from the Manpower
11 Development Fund to the Guam Community College for assistance to
12 apprentices enrolled in the Guam Community College Apprenticeship
13 Program.

14 **Section 4. Appropriations to Supplement Guam Memorial Hospital**
15 **Operations.**

16 (a) The sum of Three Million Seven Hundred Thousand Dollars
17 (\$3,700,000.00) is hereby appropriated from the Healthy Futures Fund to the
18 Guam Memorial Hospital for the purposes of treatments that are necessary as
19 a result of tobacco, alcohol and substance abuse, to be applied *only* for the
20 payment of medical supplies, pharmaceutical supplies, and equipment
21 maintenance contracts. The funds appropriated herein shall *not* be subject to *I*
22 *Maga'lahaen Guåhan's* transfer authority and shall *revert* back to the Healthy
23 Futures Fund *if* unexpended in Fiscal Year 2005.

1 **(b)** The sum of One Hundred Thousand Dollars (\$100,000.00) is
2 hereby appropriated from the Healthy Futures Fund to the Guam Memorial
3 Hospital for supplies and equipment for patient education.

4 **Section 5. Department of Public Health and Social Services**
5 **Appropriations.**

6 **(a) Community Health Centers.** The sum of One Million Four
7 Hundred Twenty-three Thousand Five Hundred Sixty Dollars (\$1,423,560.00)
8 is hereby appropriated from the Healthy Futures Fund to the Department of
9 Public Health and Social Services to expand the capacity of the Northern and
10 Southern Community Health Centers (the "Centers") to provide primary and
11 preventive care to the Medically Indigent Program ("MIP") clients, which
12 shall include the expansion of clinical and support staff services.

13 All MIP clients shall be seen at the Community Health Centers during
14 regular operational hours, while specialty care will continue to be contracted
15 with private physicians in the community.

16 **(b) Division of Environmental Health.** The sum of Three Hundred
17 Twenty-two Thousand Dollars (\$322,000.00) is hereby appropriated from the
18 Environmental Health Fund to the Department of Public Health and Social
19 Services, Division of Environmental Health, for operations, inclusive of
20 Personnel Services.

21 **Section 6. Appropriation to the Department of Mental Health and**
22 **Substance Abuse.** The sum of One Million Dollars (\$1,000,000.00) is hereby
23 appropriated from the Healthy Futures Fund to the Department of Mental
24 Health and Substance Abuse for the purpose of expansion of programs, such
25 as the New Beginnings, services for children with severe emotional disorders,

1 and youth prevention programs such as substance and tobacco abuse
2 prevention.

3 **Section 7. Child Mental Health Initiative Program Grant Fund.** The
4 sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) is hereby
5 authorized to be expended for Fiscal Year 2005 from the Healthy Futures
6 Fund to the Child Mental Health Initiative Program Grant Fund as a local
7 match to the Child Mental Health Initiative Program Grant to support
8 children and adolescents (under 22 years of age) with serious emotional
9 disturbances and their families, as appropriated in Public Law 27-29.

10 **Section 8. Appropriation to Guam Fire Department.** The sum of
11 One Hundred Sixty Thousand Dollars (\$160,000.00) is hereby appropriated
12 from the unencumbered and unallotted funds from the Fiscal Year 2004
13 Tourist Attraction Fund to the Guam Fire Department for the repair of the
14 Bronto Skylift and for the procurement of an ambulance to include a
15 maintenance agreement contract.

16 **Section 9. Appropriation to Department of Corrections.** The sum of
17 One Million Seven Hundred Thirteen Thousand Four Hundred Forty-three
18 Dollars (\$1,713,443.00) is hereby appropriated from the Corrections Revolving
19 Fund to the Department of Corrections to be used to purchase clothing for
20 prisoners and detainees, food stuffs for the dining facility, and medical
21 supplies and medicine for prisoners and detainees.

22 **Section 10. Appropriations to Department of Youth Affairs and**
23 **Department of Mental Health and Substance Abuse.**

24 (a) The sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) is
25 hereby appropriated from the Safe Homes, Safe Streets Fund to the

1 Department of Youth Affairs (“DYA”) consistent with §26302 (d) of Title 11
2 GCA for Fiscal Year 2005.

3 (b) The sum of One Hundred Fifty-three Thousand One Hundred
4 Forty-four Dollars (\$153,144.00) is hereby appropriated from the Healthy
5 Futures Fund to the Department of Mental Health and Substance Abuse to
6 fund (Sanctuary, Inc.) Youth Drug and Alcohol Program.

7 (c) Upon the enactment of this Act, on the fifteenth (15th) day of each
8 month, the Director of DYA, and the Director of the Department of Mental
9 Health and Substance Abuse shall provide a detailed report to the Speaker of *I*
10 *Liheslaturan Guåhan* on the total expenditures and specific program of said
11 expenditures as contained in the provisions of this Section.

12 **Section 11. Appropriation to the Unified Judiciary for Erica’s House**
13 **of Hope.** Notwithstanding any other provision of law, the sum of One
14 Hundred Thousand Dollars (\$100,000.00) is hereby appropriated from the Safe
15 Streets Fund to the Unified Judiciary to fund (Erica’s House of Hope) for
16 operation of a family visitation center for Fiscal Year 2005.

17 **Section 12. Appropriations to the Mayors Council of Guam.**

18 (a) The sum of Five Hundred Thousand Dollars (\$500,000.00) is
19 hereby appropriated from the Village Streets Fund to the Mayors Council of
20 Guam. The purpose of such funds is for the maintenance and beautification
21 of village roads, repair and renovation of senior citizen centers and youth
22 facilities, and stray animal control. Such funds shall *not* be subject to any
23 transfer authority of *I Maga’lahen Guåhan*. The Village Streets Fund shall be
24 divided among the Village Mayors as follows:

1 (1) Each Mayor shall be allocated the sum of Fifteen Thousand
2 Dollars (\$15,000.00); and

3 (2) The remaining balance of the Village Streets Fund shall be
4 distributed to each Mayor on a *pro rata* basis based on the
5 total local road mileage in each village as a percentage of the
6 total local road mileage in the 1998 Local Road Inventory of
7 the Department of Public Works.

8 **(b)** The sum of Three Hundred Eighty Thousand Dollars (\$380,000.00)
9 is hereby appropriated to the Mayors Council from the Safe Homes, Safe
10 Streets Fund to be expended, in accordance with plans approved by the
11 Village Municipal Planning Council and filed with the Director of the
12 Department of Administration, on public safety and social programs that
13 enforce alcohol regulations, reduce underage drinking, support traffic safety,
14 reduce drug-related violence and abuse, and/or support government of
15 Guam substance abuse prevention programs.

16 **(c)** The sum of Five Hundred Thousand Dollars (\$500,000.00) is
17 hereby appropriated to the Mayors Council of Guam from the unencumbered
18 and unallotted carryover from the Fiscal Year 2004 Tourist Attraction Fund,
19 and shall be used by the Mayors Council of Guam for village beautification
20 projects island-wide, which may include, but are *not limited to*, the
21 maintenance and upkeep of public restroom and recreational facilities. The
22 amount appropriated herein shall be divided equally among the nineteen (19)
23 villages.

24 **(d)** With the written approval of their Municipal Planning Councils,
25 Village Mayors are authorized to apply additional funds sourced through

1 private contributions, donations, and fundraising to supplement their village
2 projects or programs, including any programs funded with monies from local,
3 Federal, or special funds. Each Mayor shall submit a report to the Speaker of I
4 *Liheslaturan Guåhan*, the President of the Mayors Council and the Public
5 Auditor on the fifth (5th) day of the first (1st) month of every fiscal quarter
6 (October 5th, January 5th, April 5th, July 5th) as to the receipts, expenditures, and
7 applications of these funds.

8 **Section 13. Appropriations to Guam Visitors Bureau.** The sum of
9 Fifteen Million Five Hundred Eighty-nine Thousand Seven Hundred Thirty-
10 one Dollars (\$15,589,731.00) is hereby appropriated from the Tourist
11 Attraction Fund ("TAF") to the Guam Visitors Bureau ("GVB") for the
12 following, which is inclusive of Operations and Personnel Services, for the
13 period October 1, 2004, through September 30, 2005:

14 **(a) General Appropriations**

15 **(1) Guam Administration**

16	a. Personnel	\$1,477,469.00
17	b. Contractual	\$100,400.00
18	c. Building Maintenance	\$67,500.00
19	d. Warehouse Storage	\$30,000.00
20	e. Postal Service	\$10,000.00
21	f. Legal Fees	\$40,000.00
22	g. Janitorial Services	\$15,000.00
23	h. Computer Maintenance	\$25,500.00

1	i.	Travel Promotional Souvenirs	\$15,000.00
2	j.	Security Systems	\$1,300.00
3	k.	Garbage Collection	\$3,000.00
4	l.	Supplies and Materials	\$10,000.00
5	m.	Dues and Assessment	\$39,595.00
6	n.	Utilities	\$105,120.00
7	o.	Capital Outlay	\$49,961.00
8		Guam Administration Subtotal	\$1,989,845.00
9	(2)	Marketing	
10	a.	Japan	\$7,919,411.00
11	b.	Korea	\$1,000,000.00
12	c.	Hong Kong	\$200,000.00
13	d.	China	\$150,000.00
14	e.	Taiwan	\$400,000.00
15	f.	Philippines	\$150,000.00
16	g.	Pacific	\$80,000.00
17	h.	North America/Armed Forces	\$200,000.00
18		Marketing Subtotal	\$10,099,411.00
19	(3)	Printing / Promotional	\$355,200.00
20	(4)	Research	\$418,275.00
21	(5)	Cultural Heritage	\$390,000.00
22	(6)	Community Development	\$332,000.00
23	(7)	Sports Tourism	\$250,000.00
24	(8)	Tourist Industry Relations	\$265,000.00
25		General Appropriations Total	\$14,099,731.00

1 **(b) Special Projects.** The sum of One Million Four Hundred Ninety
2 Thousand Dollars **(\$1,490,000.00)** for the following special projects:

3 (1) The sum of Three Hundred Thirty Thousand Dollars
4 **(\$330,000.00)** for the Tumon and Agana Beach Cleaning and
5 Maintenance.

6 (2) The sum of Four Hundred Thousand Dollars **(\$400,000.00)**
7 for the Tumon Landscaping Maintenance.

8 (3) The sum of Forty Thousand Dollars **(\$40,000.00)** for repairs
9 to the Talofofu Gymnasium and Forty Thousand Dollars
10 **(\$40,000.00)** for repairs to the Yona Gymnasium.

11 (4) The sum of Forty Thousand Dollars **(\$40,000.00)** for the
12 repair of the Tamuning Gymnasium and Forty Thousand
13 Dollars **(\$40,000.00)** for the repairs to the Yigo Gymnasium.

14 (5) The sum of Five Hundred Forty-three Thousand Dollars
15 **(\$543,000.00)** for the Islandwide Roadways Beautification
16 and Maintenance.

17 (6) The sum of Fifty-seven Thousand Dollars **(\$57,000.00)** for the
18 Guam Micronesian Island Fair.

19 **(c)** The sum of One Hundred Thousand Dollars **(\$100,000.00)** is hereby
20 appropriated from the unencumbered and unallotted carryover from the Fiscal
21 Year 2004 Tourist Attraction Fund to the Guam Visitors Bureau to fund *Pa'a*
22 *Taotao Tano'*, a *Chamorro* Cultural Village in Tumon.

23 **(d)** The sum of One Hundred Thousand Dollars **(\$100,000.00)** is hereby
24 appropriated from the unencumbered and unallotted carryover from the Fiscal

1 Year 2004 Tourist Attraction Fund to the Guam Visitors Bureau for *Gef Pago'*
2 operations, repair and facility upgrade.

3 **(e) Guam Visitors Bureau Transfer Authority.** The Guam Visitors
4 Bureau is hereby authorized transfer authority over the monies appropriated
5 herein. Such transfer authority shall *not* permit transfers out of the General
6 Administration category and shall *not* permit transfers into or out of the
7 Personnel Services category.

8 **(f) Administrative Provisions.**

9 (1) The appropriations made in Subsection (a) of this Section
10 shall *not* be expended for any other purpose.

11 (2) *Except* for the transfer authority provided in Subsection (e) of
12 this Section, *no* other transfer is authorized from the
13 appropriations made in this Section.

14 (3) Unless otherwise stipulated in this Act, the Tourist
15 Attraction Fund ("TAF") appropriations contained herein
16 shall be utilized *solely* for the purposes outlined herein and
17 shall *not* be subject to any transfer authority by *I Maga'lahen*
18 *Guåhan*.

19 (4) GVB shall use the marketing and promotions budget to
20 promote Guam as a wholesome family-oriented destination
21 offering activities conducive to maximizing the natural and
22 cultural elements of Guam.

23 **Section 14. Appropriations to the Guam Environmental Protection**
24 **Agency.** The sum of Eight Hundred Ninety-nine Thousand Seven Hundred
25 Fourteen Dollars (\$899,714.00) is hereby appropriated as follows:

1 **(a) Air Pollution Control Special Fund.** The sum of Two Hundred
2 Fifty Thousand Dollars (\$250,000.00) is hereby appropriated from the Air
3 Pollution Control Special Fund (10 GCA §49107) to the Guam Environmental
4 Protection Agency for personnel, equipment, supplies, utilities, miscellaneous,
5 contractual and capital outlay.

6 **(b) Guam Environmental Trust Fund.** The sum of Three Hundred
7 Twenty-nine Thousand Seven Hundred Fourteen Dollars (\$329,714.00) is
8 hereby appropriated from the Guam Environmental Trust Fund (10 GCA
9 §45200) to the Guam Environmental Protection Agency, for hazardous waste
10 cleanups, for the Supplemental Environmental Project (“SEP”) of the pending
11 Ordot Dump Consent Decree, inclusive of household hazardous waste
12 collection, transport, processing, storage and disposal, personnel, equipment,
13 contractual and supplies.

14 **(c) Water Research and Development Fund.** The sum of Two
15 Hundred Thousand Dollars (\$200,000.00) is hereby appropriated from the
16 Water Research and Development Fund (P. L. 22-47, 10 GCA Chapter 46,
17 §46116) to the Guam Environmental Protection Agency for contractual,
18 supplies, equipment, miscellaneous and capital outlay.

19 **(d) Solid Waste Management Fund.** The sum of Forty-five Thousand
20 Dollars (\$45,000.00) is hereby appropriated from the Solid Waste Management
21 Fund (P. L. 23-64, 10 GCA §51117) to the Guam Environmental Protection
22 Agency for contractual, equipment, supplies and capital outlay.

23 **(e) Water Protection Fund.** The sum of Seventy-five Thousand
24 Dollars (\$75,000.00) is hereby appropriated from the Water Protection Fund

1 (P. L. 25-152, Rules and Regulations, §10108G) to the Guam Environmental
2 Protection Agency for contractual, equipment, supplies and capital outlay.

3 (f) **Transfer Exemption.** The funds appropriated in this Section are
4 *not* subject to *I Maga'lahaen Guåhan's* transfer authority.

5 **Section 15. Appropriation to the Department of Public Works.** The
6 sum of Three Million Seven Hundred Eighty Thousand Dollars (\$3,780,000.00)
7 is hereby appropriated from the Street Light Fund to the Department of Public
8 Works for the following purposes:

9 (a) Three Million Seven Hundred Forty-six Thousand Dollars
10 (\$3,746,000.00) for payment to the Guam Power Authority for power
11 consumption of public street lights.

12 (b) Thirty-four Thousand Dollars (\$34,000.00) for the removal of
13 abandoned vehicles.

14 (c) The Director shall submit a quarterly report of the expenditures
15 from the appropriation herein to the Speaker and the Chairman of the
16 Committee on Budget and Appropriations of *I Liheslaturan Guåhan*.

17 **Section 16. Appropriation to the Department of Public Works for *Ija***
18 **Subdivision.** The sum of Five Hundred Thousand Dollars (\$500,000.00) is
19 hereby appropriated from the Guam Highway Fund to the Department of
20 Public Works for the purpose of funding the road construction and repair for
21 the *Ija* Subdivision in Inarajan.

22 (a) The Department of Public Works shall initiate the repair and
23 construction of the primary road for the *Ija* Subdivision within forty-five (45)
24 days from the enactment of this Act.

1 (b) The sums appropriated above shall *not* be subject to the transfer
2 authority of *I Maga'lahaen Guåhan* and shall be used *solely* for the repair and
3 construction of the primary road for the *Ija* Subdivision. Any unexpended
4 sums appropriated herein following the completion of the project shall *revert*
5 back to the Guam Highway Fund.

6 (c) The Department of Public Works shall provide the Speaker of *I*
7 *Liheslaturan Guåhan* a written report on the progress and activities of the
8 expenditure of said funds every ninety (90) days upon the effective date of
9 this Act, and until such time that the project is completed.

10 **Section 17. Appropriation from the Territorial Education Facilities**
11 **Fund.** Notwithstanding any other provision of law, rule, or regulation, the
12 sum of Seven Million Four Hundred Nineteen Thousand Nine Hundred Fifty-
13 four Dollars (\$7,419,954.00) is hereby appropriated from the balance of the
14 Territorial Educational Facilities Fund for payment of the 1995 General
15 Obligation Bond.

16 **Section 18. Compensation for Land Taking.**

17 **(a) Legislative Findings and Intent.** *I Liheslaturan Guåhan* is aware of
18 the government of Guam's actions in utilizing private land area along Route 4,
19 Municipality of Inarajan, adjacent to the St. Joseph Catholic Cemetery, for the
20 purpose of road expansion and shore protection and also for the purpose of
21 protecting Route 4 and the Inarajan St. Joseph Catholic Cemetery from high
22 waters and tidal upsurge during storms and other acts of nature. Specifically,
23 these parcels are identified as Lot Numbers 76 and 59-RW. Both lots are
24 registered to Mr. and Mrs. Johnny Diego. Mr. and Mrs. Johnny Diego are
25 claiming compensation from the government of Guam for Lot Numbers 76

1 and 59-RW in the Municipality of Inarajan. The parties have legitimate claims
2 with the government of Guam. It is the intent of *I Liheslatura* to compensate
3 these individuals for the government's action in taking over these parcels for
4 public use.

5 **(b) Conditions.** Notwithstanding any other provision of law, Mr. and
6 Mrs. Johnny Diego have clear title to Lot Numbers 76 and 59-RW, according
7 to documents filed with the Department of Land Management. A Warranty
8 Deed indicating the conveyance to the government of Guam must be executed
9 prior to reimbursement or just compensation.

10 **(c) Compensation.** Notwithstanding any other provision of law,
11 compensation to Mr. and Mrs. Johnny Diego will be divided into two (2) equal
12 installment payments. Mr. and Mrs. Johnny Diego have clear title to said
13 properties. A Warranty Deed indicating the conveyance to the government of
14 Guam must be executed prior to reimbursement or just compensation.

15 **(d) Appropriation.** Notwithstanding any other provision of law, the
16 sum of Ninety-three Thousand One Hundred Eleven Dollars (\$93,111.00) is
17 hereby appropriated from the Territorial Highway Fund to compensate Mr.
18 and Mrs. Johnny Diego. These funds are to be deducted from the Territorial
19 Highway Fund that allow for the acquisition of real property for the purpose
20 of highway improvements, which includes expansion.

21 **Section 19. Appropriation to the Department of Revenue and**
22 **Taxation.** The sum of Forty-two Thousand Dollars (\$42,000.00) is hereby
23 appropriated from the Safe Homes, Safe Streets Fund to the Department of
24 Revenue and Taxation for additional personnel to monitor the island's
25 inventory of tobacco and alcohol for assessment of taxes.

1 **Section 20. Plant Inspection and Permit Fund Appropriation.** The
2 sum of Forty Thousand Dollars (**\$40,000.00**) is hereby appropriated from the
3 Plant Inspection and Permit Fund to the Department of Agriculture, pursuant
4 to Section 73207 of Title 5, Guam Code Annotated, for the administration,
5 operation, maintenance, and improvement of the Plant Inspection Station of
6 the Department of Agriculture.

7 **Section 21. Foster Homes.** Stipends and fees paid to Foster Homes as
8 administered by the Department of Public Health and Social Services shall be
9 immediately increased by fifty percent (50%), across the board. Beginning in
10 Fiscal Year 2006, such fees and stipends shall be increased by five percent (5%)
11 per annum, for a period of ten (10) years. The sum of One Hundred Fifty
12 Thousand Dollars (**\$150,000.00**) is hereby appropriated from the Safe Homes,
13 Safe Streets Fund to accomplish the purpose of this Section.

1 for any other purpose. A report detailing the amount and source of all lapses
2 to be used for restoration of salary increments shall be transmitted by *I*
3 *Maga'lahi* to *I Liheslaturan Guåhan* at least fourteen (14) days prior to the
4 proposed expenditure. Failure to provide notice as provided in this Section
5 shall render the expenditure null and void.

6 **Section 2. Above-step Recruitment and Reclassification Moratorium.**

7 Notwithstanding any other provision of law, rule, or regulation, and except as
8 provided in Chapter IV of Section 5, effective October 1, 2004, there is hereby
9 put into effect a government-wide moratorium on reclassifications and above-
10 step recruitments, which shall remain in effect through September 30, 2005,
11 and shall be applicable to all positions within every branch of government;
12 public corporations; all government of Guam departments, bureaus, and
13 agencies; instrumentalities, entities or sub-entities of the Executive, Legislative
14 and Judicial Branches; the Mayors Council and Mayoral Offices, *except* for the
15 following positions:

- 16 (1) Teachers, School Health Counselors and on-call substitutes
17 of the Department of Education;
- 18 (2) Licensed and allied healthcare professionals, to include the
19 Territorial Veterinarian;
- 20 (3) Academic personnel at the University of Guam and the
21 Guam Community College;
- 22 (4) Positions determined by the Civil Service Commission
23 ("CSC") as difficult to recruit and retain; and
- 24 (5) Uniformed, Forensic, and Crime Lab Personnel for Law
25 Enforcement.

1 **Section 3. Government of Guam Retirement Fund Rate of**
2 **Contribution.** In accordance with §8137(e) of Article 1, Chapter 8 of Title 4 of
3 the Guam Code Annotated, the government rate of contribution to the
4 Retirement Fund, beginning October 1, 2004 for Fiscal Year 2005, shall equal
5 20.81%.

6 **Section 4. Staffing Pattern and Expenditure Reporting.**

7 **(a) Staffing Pattern.** Beginning October 1, 2004, and continuing on
8 each quarter thereafter, each agency or department head in the Executive
9 Branch of the government of Guam, the Chairperson of the Judicial Council
10 and the Chairperson of the Board of Trustees of the Public Defender Service
11 Corporation shall submit to the Speaker of *I Liheslaturan Guåhan* a current
12 staffing pattern, as of the previous month's ending, of employees funded by
13 the respective instrumentality. Such staffing pattern shall include, *at a*
14 *minimum*, the name, position, salary, and benefits for each employee, as well
15 as the funding source for the salary and benefits of each employee. In lieu of
16 staffing patterns, the requirements of this Subsection may be met by
17 submission of the disclosable portions of the Payroll Registers for the
18 respective departments or agencies for the previous month.

19 **(b) Expenditures.** Thirty (30) days after the end of each quarter of
20 Fiscal Year 2005, each agency or department head in the Executive Branch of
21 the government of Guam, the Chairperson of the Judicial Council, and the
22 Chairperson of the Board of Trustees of the Public Defender Service
23 Corporation shall submit to the Speaker of *I Liheslaturan Guåhan* a detailed
24 report, in writing, of full and complete expenditures for their respective

1 instrumentality for the preceding quarter, inclusive of sources of funding for
2 such expenditures.

3 **(c) Electronic Data.** In addition to the written documents requested in
4 Subsections (a) and (b) of this Section, reports shall be submitted in electronic
5 format (including, but *not limited to*, disk, CD, and/or email) to the Speaker of
6 *I Liheslatura*.

7 **Section 5. Revenue Tracking and Deficit Prevention Measures.** All
8 appropriations shall be considered as authorizations for maximum
9 expenditures, based upon the forecast of revenues assumed to be sufficient to
10 provide for such expenditures.

11 **(a) Agency Head Allotment Restriction.** It is the duty of an agency
12 head *not* to exceed any allotment assigned to that agency at any time during
13 the execution of the approved budget. The requirements of Chapter 14 of
14 Title 4 of the Guam Code Annotated, relative to Certifying Officers, *shall* be
15 adhered to in the execution of these duties.

16 **(b) Deficit Prevention.** For purposes of preventing a deficit in any
17 fund, all branches of government that receive government funds shall
18 participate in deficit prevention efforts. A deficit of any fund shall be made
19 up by canceling unexpended allotments of any prior appropriations or
20 transfer.

21 **(c) BBMR Revenue Tracking.** The Director of the Bureau of Budget
22 and Management Research (“BBMR”) shall determine, *no later than* forty-five
23 (45) days *after* the close of each quarter of the Fiscal Year, the revenue tracking
24 for the balance of the Fiscal Year, based upon the actual collections of the
25 preceding quarter, and shall give notice of such actual revenue and projected

1 revenue comparison to the Speaker and the Chairman of the Committee on
2 Budget and Appropriations of *I Liheslaturan Guåhan* no later than sixty (60)
3 days *after* the close of each quarter of the Fiscal Year.

4 **(d) Contracts Exceeding Funds Restriction.** *No* agency shall contract
5 to spend, or enter into an agreement to spend, any money in *excess* of the
6 amount allotted to the agency by BBMR, and any contract or agreement in
7 violation of this Provision shall be null and void.

8 **(e) Criminal Penalty for Violation of Contractual Restriction.** Any
9 agency head or Certifying Officer who knowingly contracts to spend, or
10 enters into an agreement to spend, any money in *excess* of the amount allotted
11 to the agency for whom the contract or agreement is executed shall be guilty
12 of a misdemeanor, punishable under Guam law.

13 **(f) Enforcement.** The agency head shall *strictly* observe the
14 enforcement of proper government spending, as prescribed in Chapter 7 of
15 Title 5 of the Guam Code Annotated.

16 **Section 6. Moratorium on Compensation for Boards and**
17 **Commissions.** Notwithstanding any other provision of law, rule, or
18 regulation, and *except* for the Civil Service Commission, the Guam Education
19 Policy Board, and the Consolidated Commission on Utilities, a moratorium is
20 hereby placed on the compensation of all members of government boards and
21 commissions for their attendance at hearings or meetings, through the end of
22 Fiscal Year 2005.

23 **Section 7. Transfer of Employees.** Notwithstanding any other
24 provision of law, and in recognition of the shortages of personnel in certain
25 areas of the government, *I Maga'lahen Guåhan* is authorized to transfer

1 employees within or between any department or agency of the government of
2 Guam, *except* that:

3 (1) The provisions of this Section shall *not* apply to any employee of
4 the Legislative or Judicial Branches of government, personnel
5 within the Department of Education, and personnel within the
6 University of Guam and the Guam Community College;

7 (2) The transfer of any employee shall *not* result in a loss of pay or
8 salary;

9 (3) The transfer of any employee shall *not* occur if the employee has
10 filed a legitimate grievance with the Civil Service Commission for
11 discrimination based on political affiliation, gender, or sexual
12 harassment, unless the said transfer is agreed to by the employee;

13 (4) The provisions of this Section shall *not* provide for the transfer of
14 autonomous agency employees into line departments or agencies;

15 (5) The transfer of any employee pursuant to this Section shall be
16 accompanied with the authorized funding for the transferred
17 employee's position by the department or agency from which the
18 employee is being transferred, unless the employee is transferred
19 to an autonomous department or agency. The Director of the
20 Department of Administration shall submit to the Speaker of *I*
21 *Liheslaturan Guåhan* and the Director of the Civil Service
22 Commission notification of said transfer;

23 (6) The employee shall be provided written notice thirty (30) days
24 *prior* to the beginning of the pay period in which the employee is

1 to be transferred, *unless* the notice period is voluntarily waived by
2 the employee; and

3 (7) This Section shall *not* be used to transfer employees acting in the
4 best interest of the government in reporting or exposing bad
5 business practices, illegal activities, or unofficial conduct by public
6 officials.

7 **Section 8. Preferred Hiring of Government Employees in**

8 **Autonomous Agencies.** Notwithstanding any other provision of law, rule or

9 regulation, employees of the line departments and agencies of the government

10 of Guam shall have the right of first refusal for classified positions being

11 recruited in all autonomous agencies, departments, and instrumentalities,

12 *except* those positions being recruited "in-house" within such agency. Such

13 recruitment shall be conducted in a competitive process consistent with the

14 merit system of the government of Guam. The Department of Administration

15 is hereby directed and authorized to develop a rating system for use by the

16 autonomous agencies, departments, and instrumentalities in the filling of such

17 positions. This Section shall be interpreted to mean that employees of the line

18 departments and agencies are preferred for employment. In cases where the

19 autonomous agencies, departments, and instrumentalities opine that there are

20 no qualified applicants found from the line departments and agencies, the

21 Civil Service Commission shall review the applications and render its opinion

22 as to the qualifications of the applicants. Should the Civil Service Commission

23 agree with the autonomous agencies, departments, or instrumentalities that

24 no qualified applicant exists in the line departments or agencies, then the Civil

25 Service Commission shall certify that the applicants were not qualified and

1 that the need to recruit from outside government sources exists. The
2 autonomous agencies, departments, or instrumentalities may then commence
3 general recruitment activities.

4 **Section 9. Personnel Ceiling.** Notwithstanding any other provision of
5 law, rule, or regulation, the overall number of full-time equivalent positions
6 within the Executive Branch of the government of Guam (the Ceiling) shall *not*
7 exceed the number of employees of filled FTE positions as of June 30, 2004.
8 The Ceiling set out herein does *not* include, nor affect the following:

- 9 (1) Federally-funded and Non-General Fund-funded positions:
10 matching and up to one hundred percent (100%);
- 11 (2) Attorneys at the Department of Law, Office of the Attorney
12 General;
- 13 (3) Classroom Instructional Support Personnel within the Department
14 of Education, i.e., teachers, school health counselors, guidance
15 counselors, on-call substitutes;
- 16 (4) Academic personnel at the University of Guam and the Guam
17 Community College;
- 18 (5) Classified personnel within the Guam Police Department, the
19 Department of Corrections, the Department of Youth Affairs and
20 the Guam Fire Department;
- 21 (6) Nurses, doctors, licensed medical professionals and employees
22 necessary for clinical purposes at the Department of Public Health
23 and Social Services, the Department of Mental Health and
24 Substance Abuse, the Guam Memorial Hospital Authority, and the

1 Department of Integrated Services for Individuals with
2 Disabilities;

3 (7) School Administrators (i.e. principals and assistant principals) at
4 the Department of Education;

5 (8) Social Workers for the Support Services Division of the
6 Department of Integrated Services for Individuals with Disabilities
7 and at the Child Protective Services Division of the Department of
8 Public Health and Social Services; and

9 (9) Department of Public Works School Bus Drivers, Engineers,
10 Transportation and Highway Maintenance Employees.

11 **Section 10. Limited Term Appointment Moratorium.**

12 Notwithstanding the provisions of §4102 of Title 4 of the Guam Code
13 Annotated, or any other provision of law, *no* person may be employed on a
14 temporary or limited-term basis by an instrumentality of the government of
15 Guam during the Fiscal Year, *except* for the following:

16 (1) Teachers, school health counselors, and on-call substitutes (within
17 staffing pattern funding levels);

18 (2) Attorneys at the Department of Law (within staffing pattern
19 funding levels);

20 (3) Nurses and doctors (within staffing pattern funding levels);

21 (4) Temporary survey workers employed by the Department of Labor
22 for the purpose of conducting employment surveys (within
23 staffing pattern funding levels);

24 (5) Licensed healthcare professionals and ancillary service personnel
25 employed at the Department of Education, the Guam Memorial

1 Hospital Authority, the Department of Mental Health and
2 Substance Abuse, and the Department of Public Health and Social
3 Services (all within staffing pattern funding levels);

4 (6) Academic personnel positions at the University of Guam and the
5 Guam Community College (within their appropriated funding
6 levels);

7 (7) (a) Temporary Solid Waste Technicians employed by the
8 Division of Solid Waste Management of the Department of
9 Public Works for the purpose of collecting residential solid
10 waste;

11 (b) Such sums as are necessary are hereby appropriated from
12 the Solid Waste Operations Fund to fund the temporary
13 positions contained in this Section;

14 (8) Federally-funded positions (matching and up to one hundred
15 percent (100%)); and

16 (9) Temporary cafeteria services and facilities maintenance services
17 workers employed by the Department of Education *not to exceed*
18 March 30, 2005 employment.

19 **Section 11. Restrictions on Executive Branch Hiring of Unclassified**
20 **Employees.** *No* government funds of any kind or description may be
21 expended on employment of, or hiring of, unclassified employees in the
22 Executive Branch of the government of Guam, *except* for the following:

23 (1) Federally-funded positions (matching and up to one hundred
24 percent (100%));

25 (2) Teaching positions at the Department of Education;

- 1 (3) Academic personnel positions at the University of Guam and the
2 Guam Community College;
- 3 (4) Nurses, doctors, licensed health professionals and ancillary health
4 employees necessary for clinical purposes at the Department of
5 Education, Department of Public Health and Social Services, the
6 Department of Mental Health and Substance Abuse, the Office of
7 the Chief Medical Examiner, the Guam Memorial Hospital
8 Authority, Guam Police Department, and the Department of
9 Integrated Services for Individuals with Disabilities; and
- 10 (5) Department of Labor Survey Workers.

11 This provision does *not* apply to employees at the Office of *I Maga'lahren*
12 *Guåhan* and *I Segundu na Maga'lahren Guåhan*, and the appointments of
13 department or agency heads and their First Assistants. For the purpose of this
14 Section, a First Assistant is recognized as the Deputy Director of such agency
15 or a private secretary, but *not* both.

16 **Section 12. Prohibition on Personal Services Contracts.**

17 Except for positions filled in accordance with the merit system at the
18 University of Guam, the Guam Community College, the Department of
19 Education, the Unified Judiciary of Guam, the Guam Police Department, *I*
20 *Liheslaturan Guåhan*, and licensed health professionals at the Guam Memorial
21 Hospital, the Department of Public Health and Social Services and the
22 Department of Mental Health and Substance Abuse, positions in the classified
23 and unclassified service shall *not* be filled pursuant to a contractual
24 arrangement.

1 Pursuant to the procurement law, government of Guam departments
2 and agencies may enter into agreements with independent contractors
3 provided that *no* such agreement may contract for services ordinarily
4 provided by the positions defined in the classified service, unless permitted
5 by the organic statute of an agency.

6 It is *not* the intention of this Section to prohibit the use of independent
7 contracts for obtaining commonly recognized professional services, such as
8 licensed health professionals, licensed architects, licensed engineers, legal
9 services, actuarial services and auditing services (to include the Government
10 of Guam Annual Single Financial Audit) in those agencies that don't
11 otherwise regularly provide such services by appointment of a regular
12 employee.

13 **Section 13. Retirement Option for Government of Guam Employees**
14 **Upon the Complete Remittance of Individual Retirement Fund**
15 **Contributions.** Any and all active members of the Government of Guam
16 Retirement Fund who meet the minimum eligibility requirements for
17 retirement shall be granted the opportunity to retire upon the complete
18 remittance of his or her outstanding individual retirement fund contributions.
19 Such contributions shall include the employee and employer retirement fund
20 contributions. Any and all fees, interest at actuarial rate, and penalties
21 associated with the requirements set forth by the Government of Guam
22 Retirement Fund shall be paid by the Government.

23 The provisions set forth herein *shall in no way* be interpreted by any
24 government of Guam entity or administrator as an allowance to restrict the

1 continual remittance of existing retirement fund contributions as required by
2 law, or as set forth by the Government of Guam Retirement Fund.

3 By the fifteenth (15th) day of each month, *I Maga'lahaen Guåhan* shall
4 provide a detailed report to *I Liheslaturan Guåhan* on the remittances and
5 number of retirements for the prior month pursuant to this Section.

6 **Section 14. Land Survey Revolving Fund.** A new Subsection 60602(1)
7 is hereby *added* to Article 6, Chapter 60, Subpart E, Title 21 of the Guam Code
8 Annotated, to read:

9 “(1) Notwithstanding any other provision of law, *no* funds from
10 the Land Survey Revolving Fund may be expended or encumbered
11 without an appropriation by *I Liheslaturan Guåhan*.”

12 **Section 15. Village Streets Fund.** Effective October 1, 2004, *no* funds
13 from the Village Streets Fund may be expended or encumbered without an
14 appropriation by *I Liheslaturan Guåhan*.

15 **Section 16. Street Light Fund.** (a) Subsection (a) of §7161, Title 16,
16 Guam Code Annotated, is hereby *amended* to read:

17 “(a) There is established within the Treasury of Guam a fund to be
18 known as the Street Light Fund, which shall be maintained separate and
19 apart from any other funds, including the General Fund of the
20 Government and independent records and accounts shall be maintained
21 in connection therewith. Money in the Street Light Fund shall be used
22 to pay for the installation and operation of public street lights. All
23 revenues deposited in the Fund are reserved for use by the Guam Power
24 Authority for payment for operation and installation of public street
25 lights.”

1 **(b)** A new Subsection (e) is hereby *added* to §7161 of Title 16, Guam Code
2 Annotated, to read:

3 “(e) No funds from the Street Light Fund may be expended or
4 encumbered without an appropriation by *I Liheslaturan Guåhan*.”

5 **Section 17. Corrections Revolving Fund.** A new §90.49 is hereby
6 *added* to Article 1 of Chapter 90 of Title 9 of the Guam Code Annotated, to
7 read:

8 “§90.49. **Corrections Revolving Fund.** There is hereby created,
9 within the Department of Corrections, a revolving fund called the
10 ‘Corrections Revolving Fund’, which shall be established by the
11 Department of Administration in accordance with the following
12 provisions herein:

13 (1) All funds collected from the U.S. Marshall Service, the
14 U.S. Immigration Service and the U.S. Bureau of Prisons for
15 housing U.S. prisoners and detainees, employees of the
16 Department of Corrections for meals they purchase at the
17 department’s dining facility, and the sale of hot garbage (pig slop)
18 to private persons, shall be deposited into said Fund.

19 (a) Funds in the Corrections Revolving Fund may be used
20 to purchase clothing for prisoners and detainees,
21 foodstuffs for the dining facility, and medical supplies
22 and medicine for prisoners and detainees.

23 (b) Expenditures from the Fund shall be approved by the
24 Director of the Department of Corrections.

1 (c) A complete and accurate accounting of all money
2 deposited into and withdrawn from such Fund shall
3 be maintained by the Department of Administration.

4 (d) Such accounting shall include and clearly identify the
5 sources and amounts of all funds paid into or
6 withdrawn from said Fund.

7 (2) The Corrections Revolving Fund shall be maintained
8 separate and apart from all other funds of the government of Guam.

9 (3) No expenditures and encumbrances from the Corrections
10 Revolving Fund shall be made without legislative approval through
11 appropriation.”

12 **Section 18. School Lunch/SAE/Child Nutritional Meal**
13 **Reimbursement Fund.** A new §3217 is hereby *added* to Article 1, Chapter 3,
14 Division 1, Title 17, Guam Code Annotated, to read:

15 “§3217. There is hereby created, within the Department of
16 Education (‘DOE’), a special fund called the ‘School Lunch/SAE/Child
17 Nutritional Meal Reimbursement Fund’, which shall be subject to
18 legislative appropriation. All monies collected by DOE from the school
19 lunch program, Federal Funds paid to the government of Guam for
20 reimbursement under the National School Lunch and Breakfast
21 Programs, and State Administrative Expense (‘SAE’) Funds shall be
22 deposited into said Fund and shall be administered as follows:

23 (a) The monies in the Fund shall be used for non-personnel
24 operating expenses in accordance with the guidelines
25 established for such programs.

1 (b) The Department of Education nutrition program shall be in
2 full compliance with the guidelines set forth by the United
3 States Department of Education and the United States
4 Department of Agriculture.

5 (c) The School Lunch/SAE/Child Nutritional Meal
6 Reimbursement Fund is *excluded* from the transfer authority
7 of *I Maga'lahaen Guåhan*.

8 (d) The Superintendent of Education shall submit a separate
9 report of the revenues and expenditures for each of the Fund
10 sources to *I Maga'lahaen Guåhan* and *I Liheslaturan Guåhan*
11 within thirty (30) days of the close of each quarter of Fiscal
12 Year 2005."

13 **Section 19. Disposition of Excess Accrued Annual Leave.** Subsection
14 (c) of 4 Guam Code Annotated §4109, is hereby *amended* to read as follows:

15 "(c) Employees entitled to annual leave hereunder may accumulate up
16 to three hundred twenty (320) hours. Any annual leave earned by eligible
17 employees in excess of three hundred twenty (320) hours shall be credited to
18 such employee's accumulated sick leave, provided, that *no more than* one
19 hundred (100) hours shall be credited to sick leave at the end of each fiscal
20 year. The determination of accumulation of annual leave, and crediting of
21 excess hours sick leave, shall be done at the end of each fiscal year.

22 Notwithstanding the provision of this Section, employees who have
23 accumulated annual leave in excess of three hundred twenty (320) hours as of
24 February 28, 2003, may carry over their excess and shall use the excess
25 amount of leave, *prior* to retirement or termination from service. At the time

1 of retirement or termination of service, that portion permitted to be credited to
2 sick leave shall be so credited and the remainder of the excess leave, if any,
3 shall be lost. Nothing herein shall allow lump sum compensation or
4 retirement credit for annual leave in excess of three hundred twenty (320)
5 hours.”

6 **Section 20. Attorney Salary Schedule.** §6208 of Title 4, Guam Code
7 Annotated, is *amended* to read as follows:

8 “§6208. **Government Attorneys Salaries.** It is the intent of *I*
9 *Liheslatura* that all full-time attorneys working for the government of
10 Guam, its agencies and instrumentalities (including autonomous
11 agencies and instrumentalities), the Judiciary, and the Public Defender
12 Service Corporation be paid according to the following schedule in
13 order to make the pay received by full-time attorneys working for
14 different departments and agencies more or less uniform. Therefore, all
15 full-time attorneys now working for or later hired after the effective date
16 of this Section by the government of Guam, its agencies and
17 instrumentalities (including autonomous agencies and
18 instrumentalities), the Judiciary, and the Public Defender Service
19 Corporation including classified, unclassified, and contract hire shall be
20 paid according to the following schedule. However, no attorney
21 working for the government of Guam on the effective date of this Act
22 shall have his or her salary reduced by this schedule below.

23 **ATTORNEY I**

1 Step 1 – more than five (5) years but *less than* six (6) years
2 experience as an attorney, \$51,723;

3 Step 2 – more than six (6) years but *less than* seven (7) years
4 experience as an attorney, \$54,765; and

5 Step 3 – more than seven (7) years but *less than* eight (8) years
6 experience as an attorney, \$59,329.

7 ATTORNEY IV

8 (d) An Attorney IV includes all non-supervisory and program-
9 supervisor senior attorneys, to include, the Chief Deputy Attorney
10 General, and the Public Defender. A senior attorney with over
11 eight (8) years as an attorney, working with minimal supervision,
12 with possible supervisory duties over other attorneys. The hiring
13 authority may allow up to three (3) years of attorney experience
14 credit or seniority credit for special skills, trial experience, training,
15 or excellence as an attorney, to the extent the attorney has less than
16 eleven (11) years of experience as an attorney. The pay scale and
17 steps shall be as follows:

18 Step 1 – over eight (8) years but *less than* nine (9) years of
19 experience as an attorney, \$62,114;

20 Step 2 – over nine (9) years but *less than* ten (10) years of
21 experience as an attorney, \$68,493;

22 Step 3 – over ten (10) years but *less than* eleven (11) years of
23 experience as an attorney, \$72,522;

24 Step 4 – over eleven (11) years but *less than* twelve (12) years of
25 experience as an attorney, \$75,208;

1 Step 5 – over twelve (12) years but *less than* fifteen (15) years of
2 experience as an attorney, \$77,894; and

3 Step 6 – over fifteen (15) years experience as an attorney, \$80,580.

4 Any attorney who has sixteen (16) years or more of total
5 experience as an attorney, and who has reached the level of Attorney IV,
6 Step 6, shall thereafter receive a pay increase of 3.5% every two (2) years
7 of service as a government of Guam attorney.

8 In the case of attorneys working for the government of Guam as of
9 the effective date of this Section, the Department of Administration shall
10 review the current attorney’s salaries and slot the attorneys into the
11 appropriate step and grade of the previous salary structure without
12 regard to any freeze on salaries that may have occurred. After placing
13 the attorneys at the appropriate step and grade, the attorneys shall then
14 be slotted in accordance with the above schedule closest to, but *not*
15 below the step and grade established by the Department of
16 Administration and to receive pay increases established by the new
17 salary structure on their anniversary of hire. The slotting into the
18 appropriate steps closest to, but *not* below their current salaries shall
19 include all experience and seniority credits.

20 The salary schedules contained in Subsections (a) through (d) above may
21 be modified upwards from time to time by the Civil Service Commission
22 pursuant to the Administrative Adjudication Act public notice requirements
23 without further legislation.”

24 **Section 21. Guam Visitors Bureau.** A new Subsection 9109(c) is hereby
25 *added* to Chapter 9, Article 1, 12 Guam Code Annotated, to read:

1 “§9109(c). The Bureau shall *not* employ employees in any foreign
2 country or territory. Neither the Board nor the General Manager shall
3 enter into contracts with individuals in foreign countries or territories.
4 All work to be done in foreign countries or territories shall be
5 outsourced to a firm, association, or corporation as may be deemed
6 necessary or appropriate. Contracts to individuals shall *not* be
7 permitted for such services.”

8 **Section 22. Public Recreation Services Fund.** 21 Guam Code
9 Annotated §77114(a), is hereby *repealed* and *reenacted* to read as follows:

10 “§77114(a). **Public Recreation Services Fund.** Notwithstanding
11 any other provision of law, there is hereby created, within the
12 Department of Parks and Recreation, the ‘Public Recreation Services
13 Fund’, which shall be a fund separate and apart from the General Fund
14 and from any other special funds of the government of Guam. Any and
15 all funds generated through department fees, fines and assessments by
16 the Department of Parks and Recreation shall be deposited into the
17 Public Recreation Services Fund. The Director of the Department shall
18 administer said funds independently from the General Fund, with a
19 minimum requirement of dual signatures for the expenditure of any
20 funds within the authorized guidelines.

21 Expenditures of the Public Recreation Services Fund shall be
22 restricted to expenditures in the following areas, and for the following
23 purposes:

- 1 (i) the maintenance, upgrade and upkeep of all parks and
2 recreational facilities within the jurisdiction of the
3 Department;
- 4 (ii) the purchase of supplies, materials and equipment to
5 support the activities outlined in Subsection (i) above; and
- 6 (iii) the creation or continuance of existing community related
7 programs and activities for the benefit of the island.

8 Funds from the Public Recreation Services Fund shall *not* be
9 expended for personnel services, but used *solely* for operations as
10 highlighted above. The expenditure of all funds in the Public Recreation
11 Services Fund shall be subject to legislative appropriation.

12 The Director of the Department of Parks and Recreation shall
13 provide a monthly financial report on the funds generated each month,
14 within ten (10) days following the preceding month.

15 (b) The establishment of the Public Recreation Services Fund
16 shall replace all funds previously identified in Chapter 77 of Title 21,
17 Guam Code Annotated, including the 'Parks Fund', 'Parks and
18 Recreation Revolving Fund', and the 'Recreation Revolving Fund', with
19 said funds to be closed immediately. The balances of all the funds
20 following reconciliation of the respective accounts shall be included in a
21 written report to be provided to the Speaker of *I Liheslaturan Guåhan*, *no*
22 *later than* ten (10) days after such transaction."

23 **Section 23. Plebiscite Date.** 1 Guam Code Annotated §21110, is
24 hereby *amended* to read as follows:

1 **“§21110. Plebiscite Date and Voting Ballot.** (a) The Guam
2 Election Commission shall conduct a ‘Political Status Plebiscite’, at
3 which the following question, which shall be printed in both English
4 and *Chamorro*, shall be asked of the eligible voters:

5 ‘In recognition of your right to self-determination, which of the
6 following political status options do you favor? (Mark ONLY ONE):

7 1. Independence ()

8 2. Free Association with the United States of America ()

9 3. Statehood ()’

10 Persons eligible to vote shall include those persons designated as
11 Native Inhabitants of Guam, as defined within this Chapter of the Guam
12 Code Annotated, who are eighteen (18) years of age or older on the date
13 of the ‘Political Status Plebiscite’ and are registered voters on Guam.

14 The ‘Political Status Plebiscite’ mandated in Subsection (a) of this
15 Section shall be held on a date of the General Election at which seventy
16 percent (70%) of eligible voters, pursuant to this Chapter, have been
17 registered as determined by the Guam Election Commission.”

18 **Section 24. Department of Education Privatization Analyses.**
19 Amendments to §3103(n) of Chapter 3 of Division 2 of Title 17, Guam Code
20 Annotated.

21 **(a)** §3103(n) of Chapter 3 of Division 2 of Title 17, Guam Code
22 Annotated, as *added* by Public Law 27-32, is hereby *amended* to read as follows:

23 **“§3103(n)** prepare feasibility/impact/cost savings analyses for the
24 Guam Education Policy Board, advising of the potential

1 privatization of existing services of the Department of Education,
2 which analyses shall specifically include, but *not be limited to*:

- 3 (1) Detailed in-house and vendor cost data, which
4 includes supplies, equipment, maintenance, utilities,
5 manpower, and all other relevant costs;
- 6 (2) A comparative analysis of current service versus
7 privatized service;
- 8 (3) Identification of desired performance levels for
9 services;
- 10 (4) Criteria for evaluating privatized services;
- 11 (5) Establishment of a strong contract oversight
12 mechanism; and
- 13 (6) Comparative quality analysis and requirements that all
14 food services will meet nutritional values and quality
15 standards of the United States Department of
16 Agriculture (USDA) and the United States Department
17 of Education (USDOE)."

18 (b) Section 6 of Public Law 27-32 is hereby *amended* to read as follows:

19 "Section 6. **Implementation.** The Board shall implement any and
20 all feasible plans for privatization."

21 **Section 25. Nurse Overtime.** §6229.7(b) of Title 4, Guam Code
22 Annotated, Chapter 6, Article 2, is hereby *amended* to read:

23 "(b) All work performed between the hours of 12:00 midnight on any
24 Friday and 12:00 midnight of the following Sunday night shall be

1 compensated at the rate of one and one-half (1½) times the nurse's and
2 the other healthcare professional's regular straight time rate."

3 **Section 26. Garnishment of Income Tax Refunds for Tuition Default.**

4 A new §16135 is hereby *added* to Chapter 16, Title 17, Guam Code Annotated,
5 to read:

6 "§16135. **Garnishment of Income Tax Refunds in the event of**
7 **a default on payment of Tuition and Fees.** The University of Guam
8 may, subject to the terms and conditions of a *Memorandum of*
9 *Understanding* with the Department of Revenue and Taxation, garnish
10 the tax refunds due to any former student who has defaulted on the
11 payment of tuition and fees and for which a judgment has been issued.
12 Such garnishment shall *not exceed* the judgment amount."

13 **Section 27. Temporary or Detail Assignments.** Section 4117 of Article
14 1 of Chapter 4 of Title 4, Guam Code Annotated, is hereby *amended* to read as
15 follows:

16 "Section 4117. **Temporary Assignments.** No employee shall be
17 temporarily assigned or detailed to a position nor shall the employee
18 assume the duties and responsibilities of a position other than the one to
19 which he has been appointed for a period in excess of ninety (90) days
20 unless the appointing authority obtains an exemption upon written
21 application to the Civil Service Commission, which exemption shall *not*
22 extend beyond an additional ninety (90) days. No exemption shall be
23 granted to the ninety (90) day detail limitation except upon express
24 approval by the Civil Service Commission Board, and except that the
25 Department of Education ('Department') is provided an extended time

1 period in the temporary assignment of school principals and assistant
2 school principals as follows: Department employees temporarily
3 assigned to the position of school principal or assistant school principal
4 shall *not* assume the duties and responsibilities of a position other than
5 the one to which he or she has been appointed for a period in excess of
6 three hundred sixty (360) days, provided that there are no qualified
7 applicants for those positions and unless the appointing authority
8 obtains an exemption upon written application to the Civil Service
9 Commission, which exemption shall *not* extend beyond an additional
10 three hundred sixty (360) days. No exemption shall be granted to the
11 Department on the three hundred sixty (360) day limitation except upon
12 approval by the Civil Service Commission; provided, however, that no
13 further temporary assignment to the same position shall be allowed
14 beyond a total period of seven hundred twenty (720) days, unless
15 extraordinary extenuating circumstances as found by the Civil Service
16 Commission justify further temporary assignment to such position. In
17 any such temporary assignments, the assignee shall suffer no loss of pay
18 while so assigned. The Speaker of *I Liheslaturan Guåhan* shall be given a
19 notice of all temporary assignments within forty-eight (48) hours of such
20 temporary assignment."

21 **Section 28. Acting Appointments.** (a) Subsection (k) of 4 GCA
22 2103.4 is hereby *amended* to read:

23 "(k) Acting appointment--the filling of a position by a person who
24 has not been appointed to fill the position on a permanent basis, or, in
25 the case of positions requiring the advice and consent of *I Liheslatura*, the

1 situation where a person is filling the position in an acting capacity
2 whose nomination to fill the position permanently has been received by
3 *I Liheslatura*, but has not been confirmed to the position by *I Liheslatura*.
4 Acting appointments include so-called 'holdover' positions on boards
5 and agencies, such as when the enabling legislation provides that an
6 appointee shall serve until his or her successor is appointed. In
7 construing the time limits in this Chapter, all time as an acting appointee
8 shall be included together, even if such acting time was spent in an
9 acting position pursuant to different appointments or as a 'holdover'.
10 An acting appointment is effective only upon receipt by *I Liheslatura* of
11 notice of said appointment. Failure to comply with this Subsection shall
12 render the actions of a defective appointee null and void."

13 **(b) Subsection (l) of 4 GCA 2103.4, is hereby amended to read:**

14 "(l) Acting capacity--the serving of a person in a position in an
15 acting capacity or pursuant to an acting appointment whose permanent
16 nomination has been received by *I Liheslatura*. Violations of this
17 Subsection shall render the actions of a defective appointee null and
18 void."

19 **Section 29. Time Limits on Acting Capacity.** 4 GCA §2103.9(d), is
20 hereby amended to read:

21 "(d) No person shall serve more than a total of ninety (90) days during
22 any twelve (12) month period in an acting capacity on any board or
23 commission, which shall include a period in time during which the
24 position was held over. No person may be appointed to serve in an
25 acting capacity on any board or commission or in any other position

1 requiring legislative advice and consent, unless that person has been
2 nominated by the appointing authority to serve in that position in a
3 permanent capacity and the nomination has been received by *I*
4 *Liheslatura*. Violation of these acting time limits shall render any action
5 taken after the allowed time period by a person in an expired position as
6 null and void.”

7 **Section 30. Acting Capacity.** 4 GCA §2103.12, is hereby *amended* to
8 read:

9 “§2103.12. **Acting Capacity.** No person who shall be appointed to
10 a position which requires advice and consent of *I Liheslatura* may serve
11 in an acting capacity as head or director of a department, agency or
12 instrumentality for a period in excess of ninety (90) days during any
13 twelve (12) month period pursuant to any authority whatsoever. Any
14 employee so appointed shall have the right to return to the position the
15 employee held immediately before the appointment to serve in an acting
16 capacity after the ninety (90) day period is exhausted. The time
17 limitation of this Section may not be circumvented by an interruption in
18 the appointment to an acting capacity or by transfer back to the position
19 the employee held immediately before the appointment for a period of
20 less than thirty (30) days or by a temporary transfer to any other
21 position. Violation of these acting time limits shall render any action
22 taken after the allowed time period by a person in an expired position as
23 null and void.”

24 **Section 31. Autonomous Agency Expenditures Reported to *I***
25 ***Liheslaturan Guáhan*.** Notwithstanding any other provision of law, all

1 autonomous and semi-autonomous agencies or public corporations shall
2 report all expenditures to *I Liheslaturan Guåhan* on a monthly basis showing
3 expenditures from all funds from October 2004 to September 2005.

4 **Section 32. (a) Holidays.** *I Liheslaturan Guåhan* finds that Public Law
5 26-157, which repealed and re-enacted the provision on Government of Guam
6 holidays, removed *I Maga'lahi's* authority to declare a holiday or to make any
7 Presidential-declared holiday as a Guam holiday. While the intent of this
8 public law is to reduce cost to conserve the government's limited financial
9 resources, *I Liheslatura* would also like to recognize the need to provide *I*
10 *Maga'lahi* some form of flexibility in declaring a holiday for an occurrence
11 meriting such recognition to include those special-declared holidays by the
12 U.S. President.

13 It is therefore the intent of *I Liheslaturan Guåhan* to restore this power
14 granted to *I Maga'lahi* prior to the enactment of Public Law 26-157.

15 **(b)** A new Subsection (c) is hereby *added* to Section 1000 of Title 1 of the
16 Guam Code Annotated, as *repealed* and *re-enacted*, to read as follows:

17 “(c) In addition to the holidays specified in Subsection (a) of this
18 Section, *I Maga'lahaen Guåhan* may declare by Executive Order additional
19 non-permanent holidays for special purposes. No holiday declared by
20 Executive Order shall be continued beyond the year in which the
21 Executive Order is issued.”

22 **Section 33. Prohibition on Public Funds Expenditure for Casino**
23 **Gambling Study.** Except for the Guam Election Commission, all government
24 of Guam agencies, departments, bureaus, boards, commissions, public
25 corporations, autonomous and semi-autonomous agencies, including the A.B.

1 Won Pat International Airport Authority Guam, the Guam Telephone
2 Authority, the Guam Power Authority, the Guam Housing & Urban Renewal
3 Authority, the Guam Housing Corporation, the Guam Economic
4 Development and Commerce Authority, the Guam Memorial Hospital
5 Authority, the University of Guam, the Jose D. Leon Guerrero Commercial
6 Port, the Guam Community College, the Guam Waterworks Authority, the
7 Government of Guam Retirement Fund, and the Guam Visitors Bureau, all
8 offices of the Executive, Legislative and Judicial Branches, and other entities
9 and instrumentalities of the government of Guam, are hereby prohibited from
10 expending public funds on any type of study, report or statement on any
11 kinds of casino gambling *prior* to the November 2004 General Election.

12 **Section 34. Enhanced Placement for Public Employees Displaced**
13 **Due to Outsourcing.** A new Article 6 is hereby *added* to Chapter 4, Title 4,
14 Guam Code Annotated to read:

15 **“Article 6. Enhanced Placement for Public Employees Displaced Due**
16 **to Outsourcing.**

17 **§4601. Eligibility.** Any classified employee of a government
18 agency or department which is undergoing a process of complete
19 privatization, or of a program within a department or agency of the
20 government when such program is undergoing privatization, and who
21 will be displaced from government service as a result of such
22 privatization, shall be eligible for enhanced placement. Classified
23 employees still under probation shall *not* be eligible for enhanced
24 placement.

1 **§4602. Enhanced Placement.** Classified employees eligible for
2 enhanced placement shall be granted the right of first refusal for an
3 opened and vacant government of Guam classified position provided
4 that such employee shall meet all qualifications for such position and
5 further provided that such position is vacant and has been opened for
6 recruitment for *bona fide* reasons with an actual intent to fill such
7 position under the merit system. Enhanced placement is *not* available
8 when a classified position has been opened for the purpose of
9 promotion only. When more than one (1) person eligible for enhanced
10 placement applies for a vacant and opened position subject to the
11 provisions of this Article, the process of selection between such persons
12 eligible for enhanced placement shall be competitive as would normally
13 be the case under the provisions of the merit system.

14 **§4603. Retention of Seniority.** Any employee hired pursuant to
15 the provisions of enhanced placement as defined in this Article shall
16 retain such seniority as has accrued due to prior government
17 employment and shall be eligible to receive pay at a step equivalent to
18 the number of years of service such employee has accrued, provided
19 that the employee shall be compensated in the same pay grade as is
20 normally associated with the employee's new position.

21 **§4604. Period of Eligibility.** A classified employee eligible to
22 participate in enhanced placement, as detailed in this Article, shall
23 acquire such eligibility upon the final approval of the relevant
24 privatization directly affecting such employee by *I Liheslaturan Guåhan*
25 or in the absence of a legislative approval process, upon the date upon

1 which such instruments as shall mandate the relevant privatization are
2 enacted. Such eligibility shall remain in effect for a period of *no more*
3 *than* two (2) years.

4 **§4605. Establishment of List.** All persons eligible for enhanced
5 placement shall register with the Department of Administration.
6 Persons eligible for enhanced placement shall register *no later than* one
7 hundred twenty (120) days after the date upon which they have
8 acquired eligibility for enhanced placement as detailed in Section 4604
9 of this Article. The Department of Administration shall maintain,
10 update and make such registry of eligible persons available to all
11 personnel divisions of all government of Guam instrumentalities on a
12 monthly basis. A person is *not* eligible for referral to an opened and
13 vacant government of Guam classified position subject to the provisions
14 of enhanced placement as described in this Article, until such time as
15 they have registered in accordance with the provisions of this Section.”

16 **Section 35. Provision for Union Leader Release Time.** A new Section
17 5517 is hereby *added* to Article 1 of Chapter 5 of Division 1 of Title 22, Guam
18 Code Annotated, to read:

19 “**§5117. (a) Legislative Findings.** *I Liheslaturan Guåhan* finds that
20 existing union contracts with the Guam Community College and the
21 University of Guam provide for release time for the president of the
22 union to address issues related to their collective bargaining unit. *I*
23 *Liheslaturan Guåhan* further finds that such release time can be leave
24 without pay and that it is in the interests of the public and the

1 employees that such a policy of permitting release time be uniform
2 throughout the government of Guam.

3 (b) **Authorization for Release time.** Any government of Guam
4 employee who is a President or head of a union representing a
5 recognized collective bargaining unit of the government of Guam
6 shall be provided release time for the purpose stipulated in this
7 Section and shall have their assigned work duties adjusted
8 accordingly. This release time does *not* have to be paid leave and
9 shall be used to conduct union-related business, and to address
10 issues important to their respective collective bargaining units.
11 The President/Union head may *not* use this release time for union
12 organizing efforts.”

13 **Section 36. Extension of UCC Article 9 Implementation Date.** (a)

14 Section 2 of Public Law 27-40 is hereby *amended* to read as follows:

15 “Section 2. A new Section 5 is hereby *added* to Public Law 26-172
16 to read as follows:

17 ‘Section 5. The provisions of this Act shall be effective
18 October 1, 2005, and shall apply to transactions entered into and
19 events occurring after October 1, 2005.’”

20 (b) Section 3 of Public Law 27-40 is hereby *amended* to read as follows:

21 “Section 3. A new Section 6 is hereby *added* to Public Law 26-172
22 to read as follows:

23 ‘Section 6. A fee schedule for the filing of financing
24 statements, amendments, continuations, statements, and releases
25 shall be promulgated pursuant to the Administrative Adjudication

1 Law and filed with *I Liheslaturan Guåhan* thirty (30) days prior to
2 October 1, 2005’.”

3 **Section 37. Filing Fee for Annual Audit Report.** 18 GCA §4304(g) is
4 hereby *amended* to read:

5 “(g) The filing fee for an annual report shall be One Hundred
6 Dollars (\$100.00), with the exception of nonprofit corporations. The
7 filing fee for an annual report for nonprofit corporations shall be Ten
8 Dollars (\$10.00).”

9 **Section 38. Ancillary Benefit Account.** Subsection (b) of Section 8209
10 of Article 2 of Chapter 8 of Title 4, Guam Code Annotated, is hereby *amended*
11 to read:

12 “(b) Furthermore, prior to the adoption of welfare benefit plans for
13 pre-retirement disability and survivor death benefits in Article 4 of this
14 Title, each participating employer shall also make a contribution to the
15 Ancillary Benefit Account for the sole purpose of financing pre-
16 retirement disability insurance and survivor death insurance premiums,
17 in an amount equal to a designated percentage of such member’s base
18 pay, the percentage to be determined on a quarterly basis by the Board
19 within its sole discretion, in an amount not to exceed two percent (2%)
20 of each member's base pay.”

21 **Section 39. Employees on Active Duty.** A new Section 8209.2 is
22 hereby *added* to Article 2 of Chapter 8 of Title 4, Guam Code Annotated, to
23 read:

24 “Section 8209.2. **Employees on Active Duty.** The government
25 shall pay the employer’s and member’s Government of Guam Defined

1 Contribution Retirement System contributions, group health insurance
2 premiums, and group life insurance premiums for all officers and other
3 employees of the government of Guam who are on leave without pay
4 and on active duty with the Guam National Guard or the reserve
5 components of any of the Armed Services of the United States. All
6 agencies and departments of the government of Guam shall fund, from
7 their respective annual budgets, the contributions for retirement, health
8 insurance, and life insurance authorized by this Section. The provisions
9 of this Section shall be effective October 1, 2004.”

10 **Section 40. Amendment to Allow Annual Single Audit.** Section 30 of
11 Chapter IV of Public Law 27-29 is hereby *amended* to read:

12 **“Section 30. Appropriation for Government of Guam Annual**
13 **Single-Audit.** The sum of Three Hundred Thousand Dollars (\$300,000)
14 is hereby appropriated from the General Fund to the Department of
15 Administration for the *sole* purpose of outsourcing the government of
16 Guam annual single financial audit for Fiscal Year 2003. The Office of
17 the Public Auditor shall be responsible for the administration of such
18 funds and shall maintain oversight of the conduct of the annual audit.
19 Provided that the contract for the annual single financial audit is
20 procured pursuant to 2 GAR Section 2112 and other applicable
21 provisions of the procurement law and regulations, the contract shall *not*
22 be considered a contract for personal services that might otherwise be
23 prohibited by Section 13, Chapter V of this Act. (Public Law 27-29).”

1 **Section 41. DOE Privatization Cafeteria Requirement.** A new
2 Subsection (d) is hereby *added* to §3112(a)(16) of Chapter 3, Division 2 of Title
3 17, Guam Code Annotated, to read:

4 “(d) For all Department of Education privatized food services,
5 cafeterias, or cafeteria services, contractors operating DOE cafeterias and
6 food services shall comply with 5GCA 5001(e) and Chapter 68 of Title 5,
7 Guam Code Annotated, relative to the procurement of local products, in
8 place and stead of the Department of Education. The Department of
9 Education shall require compliance with these provisions as part of its
10 contracts for privatization subsequent to the enactment of this
11 Subsection.”

12 **Section 42. Dual Employment Prohibited.** 4 GCA Section 6504.1 is
13 hereby *amended* to read:

14 “§6504.1. (a) No Officer or employee of the government of Guam
15 may be employed on a full-time, part-time or contractual basis or hold
16 an appointment to more than one (1) position in the classified or
17 unclassified service in any department or agency or by more than one
18 (1) department, agency or branch of the government of Guam at any
19 time, except for:

20 (1) persons serving as part-time teachers, part-time school
21 health counselors and University of Guam instructors for the
22 Guam Community College, and instructors for the University of
23 Guam who may be employed during the summer and at any other
24 time not in conflict with their primary employment if they are

1 employed elsewhere in the government of Guam as their primary
2 employer;

3 (2) persons employed by the Youth Congress;

4 (3) persons employed on a part-time basis by boards or
5 commissions;

6 (4) persons employed as nurses, physicians, and as
7 ancillary/allied health professionals in the government of Guam;

8 (5) attorneys engaging in the active practice of law, or part-
9 time judges or part-time court referees;

10 (6) persons employed on a part-time or contractual basis
11 who are individual and family counselors or chemical dependency
12 specialists; or

13 (7) any employee of the government of Guam whose
14 primary employment is not in any of the agencies or professions
15 listed in items (1), (2), (3), (4), (5) and (6) herein, but has training
16 and experience to qualify to be employed in the professions listed
17 in items (1), (2), (3), (4), (5) and (6) herein, may be employed in
18 secondary jobs in such professions within the government of
19 Guam; provided, that such secondary job is not in conflict with
20 that person's primary job and there are no other qualified
21 applicants not within the employ of the government of Guam.

22 (b) Effective upon confirmation, *no* official who occupies a position
23 requiring the consent of *I Liheslatura*, may be paid salary for or fill a
24 classified position. Certifying officers shall *not* certify funds for the

1 classified position in contravention of this Section and shall be liable
2 under 4 GCA Chapter 14.”

3 **Section 43. Transfer of DOE Employees.** A new item (o) is hereby
4 *added* to Section 3103 of Title 17, Guam Code Annotated, to read:

5 “(o) Notwithstanding any other provision of law or personnel
6 rules and regulations, the Superintendent shall have the authority to
7 assign, detail or transfer employees to various physical locations within
8 the Department of Education except that:

9 (1) The transfer of any employee shall *not* result in a loss of
10 pay or salary;

11 (2) The transfer of any employees shall *not* occur if the
12 employee has filed a legitimate grievance with the Civil
13 Service Commission for discrimination based on political
14 affiliation, gender, or sexual harassment, unless the said
15 transfer is agreed to by the employee;

16 (3) The Superintendent shall submit to the Speaker of *I*
17 *Liheslaturan Guåhan* and the Director of the Civil Service
18 Commission notification of said transfer;

19 (4) The employee shall be provided written notice thirty (30)
20 days *prior* to the beginning of the pay period in which the
21 employee is to be transferred, unless the notice period is
22 voluntarily waived by the employee; and

23 (5) This Section shall *not* be used to transfer employees
24 acting in the best interest of the Department in reporting
25 or exposing bad business practices or illegal activities.”

1 **Section 44. Garnishment of Income Tax Refunds for DOE Tuition**
2 **Default.** A new §3215.1 is hereby *added* to Chapter 9, Title 17, of the Guam
3 Code Annotated, to read:

4 “§3215.1. **Garnishment of Income Tax Refunds in the event of**
5 **a default on payment of Tuition and Fees.** The Department of
6 Education may, subject to the terms and conditions of a *Memorandum of*
7 *Understanding* with the Department of Revenue and Taxation, garnish
8 the tax refunds due to any former or current employee who has
9 defaulted on the payment of tuition and fees for in-services training and
10 for which a judgment has been issued. Such garnishment shall *not*
11 *exceed* the judgment amount.”

1 *revert* to the Safe Homes, Safe Streets Fund on the last day of that fiscal year.
2 All entities of the government of Guam receiving appropriations from the Safe
3 Homes, Safe Streets Fund shall submit a report to the Speaker of *I Liheslaturan*
4 *Guåhan* and the Public Auditor on the fifth (5th) day of every month as to the
5 receipts and expenditures of these funds. Such report shall include detailed
6 information on the amount of such transfers and the agency expending such
7 funds.

8 (e) *Unless* otherwise provided for in this Act, lapses in Fiscal Year 2004
9 and all other *prior* years appropriations to the Executive Branch from the
10 General Fund shall *not* revert to the General Fund, but shall be identified by *I*
11 *Maga'lahen Guåhan* and reported to the Speaker of *I Liheslaturan Guåhan* within
12 forty-five (45) days of the close of Fiscal Year 2004, identifying the source and
13 amount of the lapse. Use of these lapses shall be subject to further
14 appropriation by *I Liheslatura*. Any request for appropriation of said lapses
15 shall be submitted by *I Maga'lahi* to *I Liheslaturan Guåhan*.

16 **Section 2. Carryover of Local and Federal Matching Program Funds**
17 **for Grants.** The Local and Federal Matching Funds for programs whose
18 expiration dates extend *beyond* September 30, 2005, are hereby authorized to
19 be carried over and expended through the period of the grant award.

20 **Section 3. Federal Reimbursements into General Fund/Special**
21 **Fund.** *Except* as provided by the provisions of §5104(38) of Title 12 of the
22 Guam Code Annotated, *if* Guam expends any funds, which are reimbursed by
23 the Federal government, the reimbursed funds shall *revert* back to the funding
24 source from which it was expended.

1 **Section 4. Authorization for Matching Requirements for Federal**
2 **Grants-In-Aid.** Notwithstanding any other provision of law, departments are
3 authorized to expend funds appropriated in this Act for matching
4 requirements of Federal grants.

5 **Section 5. *I Maga'lahren Guåhan* Transfer Authority.** *Except* as
6 otherwise provided in this Act, *I Maga'lahren Guåhan* is hereby authorized to
7 transfer *not more than* ten percent (10%) of funds appropriated to the Executive
8 Branch by this Act within an agency, or between agencies of the Executive
9 Branch. *No* transfer shall occur from Operations into the Personnel Services
10 category in Appendix A. This transfer authority shall *not* be applicable to
11 funds allocated to the Unified Judiciary of Guam, *I Liheslaturan Guåhan*, the
12 University of Guam, the Guam Community College, the Office of the
13 Attorney General, the Office of the Public Auditor, the Guam Police
14 Department, the Guam Memorial Hospital, the Mayors Council of Guam, the
15 Pacific Islands Development Bank, the Department of Education, and Federal
16 funds.

17 *I Maga'lahren Guåhan* shall submit a report to the Speaker of *I Liheslaturan*
18 *Guåhan* on the fifth (5th) day of every month subsequent to the enactment of
19 this Act on the application of the provisions contained herein. Such report
20 shall include detailed information on the source and amount of such transfers
21 and the agency receiving such funds.

22 **Section 6. Transfer Authorization for Public Welfare Benefit**
23 **Programs.** The Director of the Department of Public Health and Social
24 Services is hereby granted the authority to transfer funds amongst Public
25 Welfare Benefit Programs administered by the Department, to include, but *not*

1 *be limited to*, the Medically Indigent Program and Medicaid. Such authority
2 shall also be applicable from the Personnel Services Category to Public
3 Welfare Benefit Programs.

4 **Section 7. Department of Education Transfer Authority.**

5 Notwithstanding any other provision of law, rule, or regulation, the
6 Superintendent of Education, in consultation with the Guam Education Policy
7 Board, is hereby granted the authority to transfer funds within the
8 Department; *no* transfer shall occur from Operations to Personnel Services
9 categories, and funds budgeted to pay teachers and classroom instructional
10 personnel are *not* subject to transfer.

11 Upon the enactment of this Act, on the fifteenth (15th) day of each
12 month, the Superintendent of Education shall provide a detailed report to the
13 Speaker of *I Liheslaturan Guåhan* on the transfers pursuant to this Section.

14 **Section 8. Unified Judiciary of Guam Lapsed Funds Carryover.**

15 (a) **Unified Judiciary.** Lapses in the Judicial Branch of Guam Fiscal
16 Year 2004 appropriations shall *not* revert back to the General Fund, but shall
17 be carried over into Fiscal Year 2005, and shall be subject to further legislative
18 appropriation.

19 (b) **Report.** The Chief Justice and Chairman of the Judicial Council
20 shall, *no later than* thirty (30) days following the enactment hereof, submit to
21 the Speaker of *I Liheslaturan Guåhan* a full disclosure of all Fiscal Year 2004
22 lapsed funds identified by the Unified Judiciary.

23 **Section 9. Exemption from BBMR Allotment Release Control.** The
24 provisions of 5 GCA §1303 shall *not* be applicable to the Mayors Council of
25 Guam, *I Liheslaturan Guåhan*, the Office of the Public Auditor, the Office of

1 Finance and Budget, the Office of the Attorney General, the Department of
2 Education, and the Judicial Branch. Said entities may draw against their
3 respective appropriations in order to meet their respective obligations as the
4 need arises, in accordance with a drawdown schedule such entities shall
5 submit to the Department of Administration.

6 **Section 10. Compact Impact Funds.**

7 **(a) Legislative Findings:** This Act hereby incorporates by reference
8 and reiterates the findings made in Public Law 27-92 concerning the need to
9 fund the following:

- 10 (1) construction of public schools and
11 collateral equipment \$88,000,000.00
12 *[(a) two (2) high schools not to exceed*
13 *\$56,000,000.00; (b) one (1) middle school not to*
14 *exceed \$16,000,000.00; and (c) two (2) elementary*
15 *schools not to exceed \$16,000,000.00]*
- 16 (2) repairs and refurbishments \$10,000,000.00
17 *[payments for the repairs and refurbishments of*
18 *existing public schools.]*
- 19 (3) upgrade of DOC ACF \$5,000,000.00
20 *[construction of a new eighty-five (85) bed facility*
21 *and upgrades required to meet the United States*
22 *Department of Justice mandates towards*
23 *resolution of the Consent Decree.]*
- 24 (4) replacement of CT Scan System \$1,000,000.00
25 *[as established in the Guam Memorial Hospital*

1 (c) *Amendment to Subsection (2)(b) of §221402 of Article 14 of*
2 **Chapter 22, Division 2, Title 5 of the Guam Code Annotated.** Subsection
3 (2)(b) of §221402 of Article 14, Chapter 22, Division 2, Title 5, Guam Code
4 Annotated, is hereby *amended* to read as follows:

5 “(b)(i) GEDCA shall issue the Request for Proposals for the
6 Compact Impact Grant Anticipation Bonds, within fifteen (15) days
7 after the enactment of this Subsection, based on the following terms
8 and conditions:

9 The terms and conditions of the bonds shall be as
10 determined by GEDCA by the execution of a certificate, or
11 indenture authorizing the issuance of the bonds upon, or
12 *prior* to the issuance of the bonds; provided, however, that
13 such terms and conditions shall be consistent with this
14 Article, and that the bonds shall mature *not later than* the
15 year 2024, and shall bear interest at such rates and be sold
16 for such price or prices, as shall result in a yield to the
17 bondholders not exceeding seven percent (7%) per annum.

18 (b)(ii) GEDCA shall be authorized to receive bids or
19 proposals on the Compact Impact Grant Anticipation Bonds.”

20 (d) *I Maga’lahen Guåhan* shall transfer the sum of Three Million Three
21 Hundred Thousand Dollars (**\$3,300,000.00**) to the Guam Memorial Hospital
22 for funding of the hospitalist program, house call doctors, pharmaceutical and
23 medical supplies from Compact Impact funds for Fiscal Year 2005.

24 **Section 11. Severability.** *If* any provision of this Act or its application
25 to any person or circumstances is held invalid, the invalidity shall *not* affect

1 other provisions or applications of this Act which can be given effect without
2 the invalid provision or application, and to this end the provisions of this Act
3 are severable.



Office of the Governor of Guam

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Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

Office of the People's Speaker
Vicente C. Pangelinan

SEP 30 2004

TIME: 9:36 (AM) (PM)
RECEIVED BY: 

September 30, 2004

Vicente C. Pangelinan
Speaker
I Mina Bente Siete na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Dear Speaker Pangelinan:

Enclosed please find Bill No. 363 (LS) "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2005, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS" and Bill No. 364 (LS) "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2005, WHICH TOGETHER WITH ANY OTHER GENERAL APPROPRIATIONS ACTS FOR FISCAL YEAR 2005 SHALL BE KNOWN AS THE 'GENERAL APPROPRIATIONS ACT OF 2005'," both of which I have vetoed in their entirety on September 30, 2004.

While there are many inconsistencies and flaws within Bill No. 363 (LS) and Bill No. 364 (LS), there is one primary reason for my vetoes: these bills are filled with election year commitments that amount to nothing more than empty promises that, if enacted into law, would greatly reduce the government of Guam's ability to fully fund all the provisions within both measures.

On September 9, 2004, I transmitted a veto message for Bill No. 268 (COR). In that message I warned the Legislature against passing a budget for Fiscal Year 2005 that inflates revenues beyond what this government will be able to collect. By your actions to pass Bill No. 363 (LS) and Bill No. 364 (LS), you have ignored my warning and seek to perpetuate inconsistent spending policies and unrealistic revenue projections that will lead to overspending. Through the transmittal of these two bills, you have done little more than divide the previously vetoed Bill No. 268 (COR) while maintaining the same over-estimated revenue projection, in what is clearly your policy of appeasement in this election year.

By dividing the budget into two bills, you hold hostage the Public Auditor, the Residential Treatment Fund, the Yamashita Teacher Corps Scholarship Fund, funding for legal services for

the indigent, among many others. It is clear that the intention of the Legislature is to coerce me to sign both bills into law by placing the critical agencies of health, safety and education into Bill No. 363 while putting critical needs of the most needy in our community into Bill No. 364. Yet, with two appropriations bills before me, you still did not provide funding for the court-ordered EITC payments. This is unacceptable.

Moreover, this divided budget is symbolic of what you and your colleagues are attempting to do – divide our community for your own political gain. Your budget bills are nothing more than an attempt to pit the people of Guam against the government of Guam; active government of Guam employees against the retirees; teachers against the students they teach; nurses against the purchase of medicine; and tax refunds and against vendor payments.

There must only be one budget for this entire government. You and your colleagues must work within that one budget to fund all agencies and programs within a realistic revenue level. I cannot allow you to play political games with the services we provide to our community.

Mr. Speaker, you and your colleagues have attempted to promote this budget bill as your commitment to fully fund education, health and safety. However, by over-committing this government, you are taking our island down a dangerous road that will end in a severe cash crisis. While the impact and enormity of your actions may not be realized until after the election, within a few months the people of Guam, the employees of this government and even the retirees will see the detrimental effects.

By refusing to establish spending priorities based on realistic revenue projections, you are saying that the people of Guam do not deserve responsible and accountable leadership from their Legislature. These bills, if enacted into law, simply allow you to abdicate your responsibilities and expect me to fund the appropriations only to the revenue levels available. It appears that you are not concerned that proper funding is available for all the programs and promises in your bills; you are only concerned that these promises hold true until the November 2nd election is completed.

If these bills are enacted into law, this government may face another 32-hour workweek, the possibility of furloughs and even the shutdown of government services. While you call this a threat, the people of Guam and the employees of the government have a right to know that it is a very real possibility.

By your actions on the FY05 budget, our entire community is in danger of losing funding for the critical services this government must provide. As I stated on September 9, credit-rating agencies will be on Guam in November to review the financial viability of our government. They will be looking to see if there has been any effort to reduce the cost of government, pay down the deficit and restore fiscal accountability. My Administration has stayed true to its commitment to these efforts however I cannot say the same of the 27th Guam Legislature.

If signed into law the combined impact of Bill No. 363 (LS) and Bill No. 364 (LS) will jeopardize the potential funding for the Guam Waterworks Authority to repair the islands water and wastewater systems, funding for the construction of new schools and the refurbishment of

the 37 existing schools, funding for the construction of a new hospital for our island, and the payment of past due tax refunds and retirement obligations. It also may place in jeopardy the existing bond obligations of this government.

Contrary to public statements you have made, these bills do not provide the management tools needed to effectively manage the daily cash requirements of this government. Instead, you have further diluted the authorities of the Governor and reduced the flexibility that has prevented the shutdown of services throughout the past two years, provided emergency funds to repair schools and provided medication for seriously ill citizens.

As the Chief Executive of this island, the Governor is responsible for the operations of the government of Guam, yet you continually attempt to consolidate the checks and balances of our democracy into your office, using the same exclusionary practices your leadership continuously promotes. Your actions infringe on the Organic authority clearly granted to the Governor.

You have limited my transfer authority to just 10%, or \$9 million, while expecting me to manage the cash shortfall that your budget will create. Furthermore, you have provided transfer authority to many of the individual agencies rather than allowing me to use my discretion as the Chief Executive. My record will show that all my decisions and actions with regard to the transfer of funds have been made in the best interest of our entire island and I see no reason for you to limit my authority.

More importantly, in your efforts to limit my authority as Governor, while attempting to enhance yours, you are only hurting the people of Guam. Your attempts to micromanage the Executive Branch through your restrictive provisions will cause delays in my Administration's ability to manage the critical cash shortage we face. The result will be less medication for the hospital, less funding for school repairs to protect the health and safety of our school children, and the erosion of government services to our people. You must put aside your political posturing and gamesmanship for the sake of the welfare of our island.

The arrogance of your actions is most clearly seen in your attempt to appropriate the use of federal Compact Impact funding, which the federal government has already stated is to be used at the discretion of the Governor. I think you owe the people of Guam an explanation for your actions. Are you now trying to supersede the mandates of the federal government, or are you simply putting in illegal and ineffectual appropriations to make a statement? Either way, you only strengthen the belief that your actions throughout this budget are based on your political interests and not the interests of the people of Guam.

The mandate of the people is clear. You must do your job and establish true spending priorities based on the cash realities of our government. The excuse that the Governor has the ability to withhold funding as necessary is not acceptable.

Every appropriation you establish becomes an obligation of this government. Every expenditure, to which you commit this government, is paid by the people of Guam. Your simplistic excuses only amount to a complete abdication of the responsibilities bestowed on you as the law-making body for our island. The people of Guam want you to do your job and to provide me with the



MINA' BENTE SIETE NA LIHESLATURAN GUAHAN
TWENTY-SEVENTH GUAM LEGISLATURE
155 Hessler Place, Hagåtña, Guam 96910

FILE COPY

September 30, 2004

The Honorable Felix P. Camacho
I Maga'lahen Guahan
Ufisinan I Maga'lahi
Hagåtña, Guam 96910

Dear *Maga'lahi* Camacho:

Transmitted herewith is Bill No. 363(LS) which was overridden by *I Mina'Bente Siete Na Liheslaturan Guahan* on September 30, 2004 notwithstanding your veto.

Sincerely,

TINA ROSE MUNA BARNES
Senator and Legislative Secretary

Enclosure (1)

ACKNOWLEDGEMENT RECEIPT
Received By: [Signature]
Time: 10:23 pm
Date: 9/30/04